# NOTICE

## COMPTON CITY COUNCIL
## AGENDA
## Tuesday, April 28, 2015
## 5:45 PM

## HEARING(S)

**5:50 P.M. - PUBLIC HEARING - CONDITIONAL USE PERMIT (CUP) CASE NO. 2750 - 716 East Rosecrans) - (Item #15)**

**6:00 P.M. - PUBLIC HEARING - COMMENTS ON THE PROPOSED ANNUAL ACTION PLAN AND CONSOLIDATED PLAN (Resolution to follow next meeting)**

## OPENING

**ROLL CALL**

**INTRODUCTION OF SPECIAL GUESTS**

**COMMENDATORY RESOLUTIONS/PRESENTATIONS**

1. CERTIFICATE OF RECOGNITION - STUDENT OF THE MONTH
   **(Councilmember Willie O. Jones)**

2. PROCLAMATION OF THE CITY OF COMPTON SUPPORTING MAY 2015 AS WATER AWARENESS MONTH

**PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS**

## CONSENT AGENDA

Consent items are routine and expected to be non-controversial. They will be acted upon by the Council at one time without discussion unless a Council Member requests an item be removed or discussed.

**APPROVAL OF MINUTES**

3. APRIL 7, 2015
   APRIL 14, 2015

## REPORTS OF OFFICERS AND COMMISSIONS

## BUILDING AND SAFETY

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AMENDMENTS TO THE AGREEMENTS WITH ALL CITY MANAGEMENT SERVICES, INC. AND THE COMPTON UNIFIED SCHOOL DISTRICT TO PROVIDE CROSSING GUARD SERVICES FOR AN ADDITIONAL LOCATION ($2,659.80)

## CITY FIRE DEPARTMENT

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO WAXIE ENTERPRISE INC. FOR CUSTODIAL SUPPLIES ($2,500)

# END CONSENT AGENDA

# REGULAR AGENDA

## REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND CITY COUNCIL

6. **ORAL REPORT -** INTRODUCTION OF CONSERVE COMPTON PROGRAM - **(Mayor Aja Brown)**

## CITY MANAGER'S REPORT

7. A REQUEST TO INITIATE REQUEST FOR PROPOSAL (RFP) PROCESS FOR STATE LOBBYING SERVICES FOR FISCAL YEAR 2015-2016 **(Action Item)**

8. A REQUEST TO SCHEDULE A PUBLIC HEARING TO RECEIVE COMMENTS ON THE PROPOSED SUBSTANTIAL AMENDMENT TO REPROGRAM HUD FUNDS **(May 12, 2015 at 5:55 p.m.)**

9. A REQUEST TO RESCHEDULE LICENSE REVOCATION HEARING FOR THE REVOCATION OF SPECIAL BINGO LICENSE BL 09-01 PURSUANT TO COMPTON MUNICIPAL CODE SECTION 9-23.10 FROM MAY 12, 2015 TO MAY 19, 2015 AT 3:35 P.M. **(May 19, 2015 at 3:35 p.m.)**

10. A REQUEST TO SET A PUBLIC HEARING TO ESTABLISH FEES FOR THE CITY'S ADMINISTRATIVE CITATION PROGRAM **(May 26, 2015 at 5:50 p.m.)**

## CITY ATTORNEY'S REPORTS

## CLOSED SESSION

11. CONFERENCE WITH LABOR NEGOTIATOR
Agency negotiator: City Manager, Assistant City Manager
Employee organizations: AFSCME Local 2325, AFSCME Local 3947
Pursuant to California Government Code Section 54957.6

12. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
Bradford v. City of Compton, LASC Case No. TC026769
Thompson v. City of Compton, LASC Case No. BC5718299
Pursuant to California Government Code Section 54956.9(a)

13. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
One (1) Potential Case
Pursuant to California Government Code Section 54956.9(b)

14. PUBLIC EMPLOYMENT
Title: City Manager
Pursuant to California Government Code Section 54957

## UNFINISHED BUSINESS

## NEW BUSINESS

15. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON TO AFFIRM, AMEND OR REVERSE THE PLANNING COMMISSION'S DECISION TO DENY CONDITIONAL USE PERMIT CASE NO. 2750 - A REQUEST BY MUHAMMAD CHAUDHRY TO CONSTRUCT THREE (3) RESIDENTIAL DWELLING UNITS AT 716 EAST ROSECRANS AVENUE IN A LIMITED COMMERCIAL ZONE

16. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PROFESSIONAL SERVICES AGREEMENT WITH APA ENGINEERING, INC. TO PROVIDE ADDITIONAL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE 2014 STREET RESURFACING PROJECT (CIP# 14-01) AND AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $8,100

17. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE INCORPORATED AREA OF THE CITY OF COMPTON IN THE LOS ANGELES COUNTY ENERGY PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY AND WATER EFFICIENCY IMPROVEMENTS, APPROVING THE REPORT SETTING FORTH THE PARAMETERS OF THE REFERENCED PROGRAM AND CERTAIN MATTERS IN CONNECTION THEREWITH

18. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH EVAN BROOKS ASSOCIATES FOR THE PREPARATION OF A CITYWIDE LIGHTING ASSESSMENT IN THE AMOUNT OF $32,600.00

19. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH B-ADAIR CONSULTING AND ADMINISTRATIVE SERVICES TO PROVIDE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT AND NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT - RELATED CONSULTING SERVICES

20. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE PROPOSED AMENDMENT TO THE CITY OF COMPTON'S FISCAL YEAR 2014-2015 HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT BUDGET ($1,245,539.90)

21. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL STREET PAVEMENT ENGINEERING DESIGN SERVICES FOR THE 2014 STREET RESURFACING PROJECT AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $20,000

22. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR FISCAL YEAR 2014-15 TO LEASE 2,000 ACRE-FEET OF WATER RIGHTS FROM THE CITY OF SOUTH GATE FOR $165 PER ACRE-FOOT

23. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2014/15 FISCAL YEAR PERSONNEL SUMMARY CONSISTENT WITH FUNDING ALLOCATIONS MADE AT THE SECOND QUARTER (MIDYEAR) BUDGET REVIEW (NO FISCAL IMPACT)

24. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXECUTE A SERVICE AGREEMENT AND ISSUE A PURCHASE ORDER TO VERACITY WIRELESS, INC. (DBA) FIELDLOGIX FOR GPS ANNUAL MONITORING FEES FOR FISCAL YEAR 2014-2015 ($39,901.65)

25. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE FIRE DEPARTMENT 2014/2015 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO CARMENITA TRUCK CENTER FOR VEHICLE MAINTENANCE AND REPAIRS FOR THE FIRE DEPARTMENT'S FLEET OF EMERGENCY AMBULANCES, SEDANS AND UTILITY VEHICLES ($20,000)

**APPROVAL OF WARRANTS**

**COUNCIL COMMENTS**

**ADJOURNMENT**

*NEXT REGULAR MEETING: Wednesday, May 06, 2015 @ 3:30 PM.*

*Visit our website at http://www.comptoncity.org*

*View Meetings Live at mms://livemedia.comptoncity.org:8080*

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **City Management**

**RESOLUTION TITLE:** **RECOGNITION OF THE COMPTON STUDENT OF THE MONTH.**

***<ManagersName>*** **<ManagersDate>**
DEPARTMENT MANAGER'S SIGNATURE DATE

**REVIEW / APPROVAL**

***<LegalName>*** **<LegalDate>**
CITY ATTORNEY DATE

***<ControllerName>*** **<ControllerDate>**
CITY CONTROLLER DATE

***<CityManager>*** **<CityManagerDate>**
CITY MANAGER DATE

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Water Department**

**RESOLUTION TITLE:** **PROCLAMATION OF THE CITY OF COMPTON SUPPORTING MAY 2015 AS WATER AWARENESS MONTH**

***Chad Blais*** — DEPARTMENT MANAGER'S SIGNATURE
**4/14/2015 11:19:13 AM** — DATE

**REVIEW / APPROVAL**

***Ruth Rugley*** — CITY ATTORNEY
**4/16/2015 11:39:30 AM** — DATE

***Stephen Ajobiewe*** — CITY CONTROLLER
**4/15/2015 6:30:03 PM** — DATE

***Johnny Ford*** — CITY MANAGER
**4/15/2015 10:16:56 AM** — DATE

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

**Whereas,** clean, safe and sustainable water resources and supplies are vital to the City of Compton's citizens, economy, and environment; and

**Whereas,** the State of California has designated May as Water Awareness Month, to educate citizens about saving precious water resources; and

**Whereas,** Governor Brown declared a statewide drought emergency in January 2014 and the drought serves as a reminder that California water resources are finite; and

**Whereas,** the City of Compton is working with the State of California and other water agencies to increase awareness about the importance of water conservation; and

**Whereas,** the City of Compton Ordinance No. 1,851, provides for Water Conservation measures for water resources to be put to the maximum beneficial use and that waste be prevented; and

**Whereas,** all water users including business, industrial, hospitality, schools and private citizens can contribute to conserving water; and

**Whereas,** the City of Compton is committed to setting a good example for its citizens and all water users regarding water conservation; and

**Whereas,** all City of Compton water users are encouraged to decrease their water usage beginning in the month of May 2015 and continue those conservation efforts year round.

**Now Therefore Be It Resolved** that I, Aja Brown, Mayor of the City of Compton and the Compton City Council do hereby Proclaim May 2015, as:

## Water Awareness Month

in the City of Compton and is calling upon each citizen and business to help protect our precious resource by reducing water usage by a minimum of 20 percent.

**In Witness Whereof,** the Mayor and Council Members of the City of Compton have caused the Official Seal of the City of Compton to be affixed this 28th day of April 2015.

*Aja Brown*
**MAYOR**

*Jana Zurita*
Councilwoman, District 1

*Issac Galvan*
Councilman, District 2

*Yvonne Arceneaux*
Councilwoman, District 3

*Dr. Willie O Jones*
Councilman, District 4

(Replace with official seal)

**APRIL 7, 2015**

The City Council meeting was called to order at 4:02 p.m. in the Council Chambers of City Hall by Mayor Aja Brown. The Pledge of Allegiance and Moment of Silence ceremonies were also led by Mayor Aja Brown.

**ROLL CALL**

**Council Members Present:** **Zurita, Galvan, Arceneaux, Jones, Brown**
**Council Members Absent:** **None**

**Other Officials Present:** **C. Cornwell, A. Godwin, K. Montgomery**

**PUBLIC HEARING - TO CONSIDER THE PURCHASE AND SALE AGREEMENT BETWEEN THE HOUSING SUCCESSOR AND NEIGHBORHOOD HOUSING SERVICES INC FOR DISPOSITION OF CERTAIN CITY-OWNED PROPERTY LOCATED AT 950 WEST ALONDRA BOULEVARD (Item #19)**

On motion by Arceneaux, seconded by Zurita, the public hearing was opened at 4:02 p.m., by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

**Kofi Sefa'boayke**, Director of the Successor Agency, presented a public hearing to the City Council and citizens of Compton of staff's recommendation to execute a Purchase and Sale Agreement (PSA) with Neighborhood Housing Services, Inc. of Los Angeles County (NHS) for the disposition and development of certain city-owned property located at 950 West Alondra Boulevard in the City of Compton.

BACKGROUND

Over the past several years, the Successor Agency has undertaken aggressive efforts to transform Compton's economic, physical and social fabric into a vibrant, commercial/retail center destination place for new housing and moderate-income residents. By fostering public/private partnership arrangements, the Agency has successfully lured investments into the community resulting in commercial, retail and residential developments in formerly blighted and underutilized areas. As part of this development process, the Agency acquired, through a foreclosure sale, a partially completed 28 unit townhome development located at 950 West Alondra Boulevard. The goal was to facilitate completion of the townhomes and to make them available for purchase at affordable levels to income-qualified home buyers.

In December 2014, the Housing Successor (the City) issued a Request for Proposals (RFP) to identify a developer to acquire and develop single-family townhomes at the subject site. After a review of proposals by the selection committee, and upon the recommendation of staff, the City Council authorized the City Manager on March 3, 2015 to enter into an Exclusive Negotiation Agreement with the Neighborhood Housing Services, Inc. for the disposition and development of the property. The City and the NHS have negotiated and agreed on the terms of a proposed PSA.

STATEMENT OF THE ISSUE

The city-owned property located at 950 West Alondra Boulevard is an unfinished townhome development. The former Community Redevelopment Agency (CRA) acquired the 1.53 acre site from the East West Bank for the sum of $1,900,000 through a foreclosure sale in 2011. Current improvements on the site consist of seven partially completed three story townhome style buildings designed to contain 28 three bedroom, two and a half bath units with attached garages and a 2 story community building.

According to the company's proposal, NHS would purchase the site for $2,400,000, complete the project at cost of $7,806,700 and sell the homes at $299,000 to $300,000. The developer's offer provides a rare opportunity for the City to recapture its initial capital investment of $1,900,000.

The subject property is located at a major arterial thoroughfare in the City. The construction of a high quality housing development project, as proposed by the developer, will offer several economic benefits to the City. For example, the City will receive increased property tax revenue, because the property currently does not participate in the property tax roll as public land. Once the development is completed, the project is estimated to have a value of approximately total private investment of over $6 million dollar into the City.

Finally, a major deliverable of NHS is the company's commitment to partnering with City government in various community economic development activities. NHS has just opened a Center in Compton at 1050 Rosecrans known as the Center for Sustainable Communities to assist families and individuals with crucial and critical needs. Furthermore, the project will involve hiring of WBE/MBE local contractors and vendors. Additionally, the center will also house a drop-in office for the City of Compton emergency services providers and law enforcement. The proposal offered by NHS provides a viable economic intervention strategy that could fill some of the void created by the disappearance of redevelopment mechanisms to uproot poverty in blighted neighborhoods. The developer's familiarity of Compton coupled with ongoing economic ventures in the City make NHS a unique asset for the community.

FISCAL IMPACT

Approval of this PSA will have no negative fiscal impact to the City's General Fund. The developer's purchase price of $2,400,000 provides the opportunity for the City to recapture its initial capital investment of $1,900,000, as well as yielding other economic benefits.

RECOMMENDATION

Staff respectfully requests the City Council authorize the City Manager to execute a Purchase and Sale Agreement with Neighborhood Housing Services for the sale of the property located at 950 West Alondra Boulevard in the City of Compton.

SCOPE OF DEVELOPMENT

The vision for the project includes acquiring and rehabilitating the site to provide affordable homeownership for 28 families of modest means. NHS foresees the resale of the units to be at $299,000 for 1,500 square feet and $325,000 for 1,900 square feet units. Given NHS extensive knowledge of the Compton community and serving low to moderate income families, the redevelopment of the site is paramount to helping to make Compton a better place to live, work and play. NHS envisions an adjacent green space along with a 1,500 – 2,500 square foot community room on site to serve families. This additional space will include some of the following amenities for buyers:

- Community & family gardens;
- Small fitness center;
- Small park with children's playland;
- Benches, tables & built-in BBQ grill;
- Bike racks;
- Storage spaces;
- Club room with large screen TV & game room;
- Business center with free WiFi

NHS would also offer buyer amenities that could include new appliances, training in water conservation, tips on utilities, etc. NHS envisions every potential buyer will receive financial education and homeownership counseling through NHS' ongoing education programs.

NHS will utilize its NSP2 award funds (program income) and construction lines of credit that are available through local lending partners to acquire and rehabilitate the property. NHS will utilize both its own subsidy sources (up to $75,000 per income qualified family), subsidies that may be available through the City of Compton and permanent financing from local lenders (e.g. Union Bank of California, California Bank & Trust and Luther Burbank Savings) to facilitate financing for eligible buyers.

**PUBLIC COMMENTS ON THE HEARING**

**David Irons**, Compton resident, spoke in opposition to the proposed development. He maintained that what the City is doing to the pastor that owned the property is inappropriate and insisted that the property is being sold for less than what it is worth.

**Lorraine Cervantes**, Compton resident, assured Mr. Irons that the church in front of this development has nothing to do with this transaction. She maintained that redevelopment was designed to assist municipalities with development so that it can benefit the City. She also noted that once the property is fully-developed the City will gain financially.

**Benjamin Holifield**, Compton resident, expressed his support for this partially developed site calling it an eyesore for a number of years. He suggested that the City require something in writing from the developer ensuring that local sub-contractors are hired. He further proposed that this partially developed site be demolished and rebuilt due to safety concerns.

**Lynn Boone**, Compton resident, alleged that the partially developed site was not finished because it was purchased in error with bond money after the winding down of Community Redevelopment Agency. She also noted that the property purchased by Neighborhood Housing Stabilization at 1050 Rosecrans is not open to the public as indicated in the statement of issue.

On motion by Zurita, seconded by Arceneaux, the public hearing was closed at 4:21 p.m., by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

**COUNCIL COMMENTS ON THE PUBLIC HEARING** - There were no Council Comments on the Public Hearing.

**PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS**

**Benjamin Holifield**, Compton resident, encouraged the City Council to pass Item No. 19 due to the potential benefits to the citizens of Compton. He went on to suggest that City Council members honor prominent activists in the community with statutes or plaques in the same way they are in other cities. He also asked that members of the City Council and Compton Unified School District continue in their efforts to help Compton Community College regain its accreditation. He further requested the restoration of Compton Boulevard, accountability from the City's elected officials, secured local employment opportunities, and illustrations of genuine love for the City of Compton and the citizens served.

**David Irons**, Compton resident, reported that his water service was terminated at 10 a.m. the day payment was due. He also notified the City Council of a new water company currently operating out of the City of Compton called Sequoia Water Company whose product is advertised with five different labels of filtered from the City's water system.

**Daniella Perez**, UltaMed Health Services representative, invited the community to enroll their family members in Covered California health insurance Saturday, April 18, 2015 from 10 a.m. to 2 p.m. at Our Lady of Victory Church.

**Donna Kaufman**, Compton resident, stated that she spoke to a staff person regarding issues with the property located at 904 North Santa Fe and announced that she would return if those issues are not resolved.

# #3.

**Terrance Cumby**, Compton resident, inquired about the proposed development of South Park and whether or not the City will institute a shuttle service from the Artesia Blueline Transit to the Gateway Towne Center. He also inquired about a vote on the Compton Empowered gang intervention organization. He questioned what the issues are concerning this organization, and stated that whatever the City Council has to do in order to support the organization they should set aside their differences and do it.

**Earnest McBride**, journalist, encouraged the members of the City Council to set aside their individual agendas and consider fair play; and keep justice in mind for the African American community.

**Jennell Butler**, Compton resident, expressed her support for the proposed brickyard development. She maintained that the City Council would do the community a disservice by not actively supporting this project. She also referenced the support of the 136th Street Block Club and the potential for media exposure if the project is not approved.

**Father Francisco**, Our Lady of Victory Church, thanked the City of Compton for allowing Our Lady of Victory Church to host their Good Friday event wherein 1,000 citizens were in attendance. He went on to thank the members of the City Council for their continued support of religious ceremonies hosted by Our Lady of Victory Church.

**Drexell Johnson**, Compton resident, expressed his support for the proposed brickyard development citing numerous opportunities for flexibility and community involvement. He also noted that his company is happy to be a part of the selection process, opportunities to bid, and negotiate contracts.

**Gaylen Tigert**, Adult Services Librarian at the Compton library, invited the community to participate in the following events:

Exhibit of African American Miniature Museum Articles
Thursday through Saturday, April 16-18th from 11 a.m. to 4 p.m.

LACMA Partnership to Sponsor Family & Teen Art Workshops
Teen workshop - Friday, April 10, 2015 from 3:30 to 5 p.m.
Family workshop - Saturday, April 11, 2015 and Saturday, April 25, 2015 from 2:30 p.m. to 4 p.m. (Free for children ages 5 to 17)

**Lorraine Cervantes**, Compton resident, spoke in opposition to Item Nos. 13 and 14. She went on to state that the City Attorney is supposed to defend the law, but is aware that one of the City Council members illegally acquired a home in the Third District under the First Time Homebuyers program. She charged Ms. Zurita with operating a childcare center out of that home and owing the City a refund. She also stated that Councilperson Zurita's mother has a judgment against her from the City of Compton in the amount of $303,000 and the City does nothing to collect payment. Ms. Cervantes went on to present a picture of the home that Councilperson Zurita illegally purchased and moved out of without the City making any attempts to take action against her.

**Michael Turner**, Compton resident, warned the citizens of Compton against voting for candidates proclaiming that they can lower the water rates or fix the City's streets once they are elected into office.

**Lynn Boone**, Compton resident, invited the community to participate the Fourth District Candidates' Forum to be held Saturday, April 11, 2015 from 11 a.m. to 1 p.m. at Kelly Park. She went on to question whether or not this City Council had addressed the letter from South Coast Air Quality Management District in regards to the health and traffic congestion issues associated with the brickyard development.

Ms. Boone also asked Councilperson Arceneaux if she previously notified any of the residents in the Richland Farms community about the impending traffic congestion and decrease in air quality the brickyard development will bring. She indicated that no residents on the Wilmington Avenue side of the First District were notified about the route change. She spoke in opposition to Item No. 16 alleging that the National Resource Network made premature attempts to apply for HUD funding without prior approval from the City of Compton. Lastly, she stated that Item No. 21 contains no job specifications, poses as a liability, and does not pay enough for 14 people.

## CONSENT AGENDA

On motion by Zurita, seconded by Jones, the Consent Agenda was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT:Council Members - None**

**APPROVAL OF MINUTES**

1. MARCH 3, 2015 **(Approved)**
   MARCH 17, 2015 **(Approved)**

**CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS**

2. INVESTMENT REPORTS - January and February 2015 **(Received/Filed)**

## END CONSENT AGENDA

## REGULAR AGENDA

**CITY MANAGER'S REPORT**

3. A REQUEST TO SCHEDULE A PUBLIC HEARING FOR CONDITIONAL USE PERMIT (CUP) CASE NO. 2750; 716 E. ROSECRANS AVENUE, COMPTON

On motion by Zurita, seconded by Arceneaux, the public hearing was scheduled for April 28, 2015 at 5:50 p.m., by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT:Council Members - None**

4. A REQUEST TO SCHEDULE A PUBLIC HEARING TO RECEIVE COMMENTS ON THE PROPOSED ANNUAL ACTION PLAN AND CONSOLIDATED PLAN

On motion by Zurita, seconded by Arceneaux, a public hearing was scheduled for April 28, 2015 at 6:00 p.m., by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT:Council Members – None**

5. A REQUEST TO SET A LICENSE REVOCATION HEARING FOR THE REVOCATION OF SPECIAL BINGO LICENSE BL 09-01 PURSUANT TO COMPTON MUNICIPAL CODE SECTION 9-23.10

**Councilperson Zurita** requested the reason for this request.

**City Attorney Cornwell** stated that there is a compliance issue and directed Councilperson Zurita to the staff report.

On motion by Zurita, seconded by Arceneaux, the hearing was scheduled for May 12, 2015 at 3:35 p.m., by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

6. ORAL REPORT - UPDATE ON CRIME STATISTICS (Sheriff's Department)

**Captain Johnson** reported the following crime statistics in the City of Compton from January 2014 to January 2015.

Part I Crimes 2014/2015
Criminal homicides - 7/2
Forcible rapes - 5/9
Robbery - 92/96
Aggravated Assaults - 143/125
Burglary - 145/144
Larceny - 369/309
Grand Theft Auto - 183/166
Arson - 17/11

Gang-related shooting incidents 28/16
Gang related shooting victims --/20
Gang-related shootings this month --/1
Gang related shooting victims this month --/1

Truck Route Violations
93 diesel trucks were cited for traveling off-route

Calls of Service (Month of March)
Responded to 273 emergency calls for service
Responded to 2,369 routine calls for service

There was an estimated 10.49% decrease in Part I crimes in the City of Compton.

Criminal activities and incidents of domestic violence should be reported to 800.222.TIPS, text a tip to "Tip LA' or www.crimestoppers.com.

Resources for victims of domestic violence and violent crimes can be accessed by calling 800.380.3811.

7. ORAL REPORT - UPDATE ON CRYSTAL PARK HOTEL AND CASINO CONSTRUCTION (Building Department)

**Paige Vaughn**, Chief Building Official, reported that the facility is owned by American Curvet Investments who acquired the property in 2012. Since the Fire Department and Building and Safety have been doing regular inspections, they have abated several life safety issues that have occurred at the hotel. There are currently three permits open on the hotel and one permit remains open for the casino floor.

Improvements
- Casino has made great improvements with accessibility and ADA compliance.
- Exterior façade improvements have been completed.
- Several citations have been issued to the hotel owners for their negligence in maintaining the grounds.
- Permits are pending for the floors of the hotel to occupy the rooms.
- Fire Department responds to overcrowding in the area where Bingo is carried out.
- New owners obtained record documents from Building & Safety three weeks ago to renovate the upper floors of the hotel which will take 6 to 8 weeks to complete.

EXPECTATION

Hotel owners will make all common and parking areas ADA compliant.

**Mayor Brown** requested photographs of the hotel's exterior at the next update.

8. POWER POINT PRESENTATION - PARKS AND RECREATION NEEDS ASSESSMENT

**Marvin Hunt**, Interim Director of Parks & Recreation, offered a PowerPoint presentation assessing all 17 parks in the City of Compton.

ASSESSMENT OF EXISTING CONDITIONS

The Parks and Recreation Department's goal is to create a basic standard for the type and amount of amenities and site furnishings that should be found at each recreational facility. This section of the needs assessment will help move the City one step forward to creating the standard by first identifying the gaps in the current level of service. Once these gaps are identified, staff will then create a list of improvements needed in order to enhance the facilities services. The enhanced level of service will include making the following improvements in the facilities: amenities, site furnishings, and exterior lighting. This section of the report will also include a preliminary budget for all proposed improvements.

1. Burrell Mac Donald Park
2516 West Alondra Blvd
Compton, California 90220
Acreage: 5.0

Proposed Improvements

- Installation of security lighting in picnic area
- Installation of security lighting on baseball diamond and multipurpose field
- Installation of a new playground structure
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches

Proposed Cost: $258,000

2. Gonzales Park Community Center
1101 West Cressey Street
Compton, California 90222
Acreage: 14.06

Proposed Improvements

- Installation of a new playground furnishings
- Installation of 10 trash receptacles
- Installation of 3 barbeque units

- Installation of 6 picnic tables
- Installation of 5 park benches

Proposed Cost: $58,000

3. Kelly Park Community Center
2319 East Caldwell Street
Compton, California 90221
Acreage: 3.6

Proposed Improvements

- Installation of a new playground furnishings
- Grading and planting of multipurpose field
- Resurface outdoor basketball court
- New backboards, rims and nets for outdoor basketball court
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches

Proposed Cost: $125,000

4. Lueders Park Community Center
1500 East Rosecrans Blvd
Compton, California 90221
Acreage: 6.0

Proposed Improvements

- Installation of a new playground furnishings
- Exercise equipment stations
- Prefabricated covered metal shade family picnic shelter
- New pool slide
- Grading and planting of multipurpose field
- Irrigation modifications
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches

Proposed Cost: $250,000

5. Wilson Park Community Center
123 North Rose Street
Compton, California 90221
Acreage: 3.9

Proposed Improvements

- Installation of a new playground furnishings
- Resurface outdoor basketball court
- Upgrade basketball backboards, rims, nets
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches

Proposed Cost: $45,905

6. Cesar Chavez Neighborhood Park
1812 North Santa Fe Avenue
Compton, California 90220
Acreage: 2.4

Proposed Improvements

- Resurface outdoor basketball court surface
- Installation of new basketball court backboards and rims
- Rubberized playground surface
- Playground structure enhancements
- Outdoor restroom structure
- Installation of 3 trash receptacles
- Installation of 1 barbeque units
- Installation of 2 picnic tables
- Installation of 3 park benches

Proposed Cost: $250,000

Neighborhood Parks

7. Compton Campfire Site
400 Block of West Raymond Street
Compton, California 90221

Proposed Improvements

- Tree trimming and removal
- Roofing
- Demo or replacement of patio awning
- Slurry seal parking area
- Irrigation modifications
- Landscape planting
- Electrical wiring upgrades
- Expanded parking area on northwest area of site
- Installation of picnic tables
- Installation of barbeque pits
- Installation of benches
- Installation of trash receptacles

Proposed Cost: $150,000 (Secured funding)

8. Ellerman Neighborhood Park
400 Block West Bennett Street
Acreage: 1.8

Proposed Improvements

- Prefabricated outdoor restroom
- Upgrade security fencing
- Installation of 5 trash receptacles
- Installation of 2 barbeque units
- Installation of 4 picnic tables
- Installation of 3 park benches

Proposed Cost: $250,000

9. Fig/Oleander Neighborhood Park
Fig Street & Oleander Avenue
Acreage: 0.8

Proposed Improvements

- Installation of 3 trash receptacles
- Installation of 1 barbeque units
- Installation of 2 picnic tables
- Installation of 3 park benches

Proposed Cost: $8,500

10. Olympic Neighborhood Park
Alameda Street & 91 Freeway
Compton, California
Acreage: 2.0

Proposed Improvements

- Landscape planting on slope
- Enhanced monument
- Lighting of Olympic Rings
- Installation of 6 trash receptacles
- Installation of 5 park benches
- Irrigation modifications

Proposed Cost: $150,000

11. Raymond Street Neighborhood Park
400 Block West Raymond Street
Compton, CA 90221

Proposed Improvements

- Perimeter fencing enhancements with themed artwork
- Youth baseball scoreboard
- Installation of 5 trash receptacles
- Installation of 2 park benches
- Enhanced parking

Proposed Cost: $150,000

12. Sibrie Neighborhood Park
1300 West El Segundo Blvd
Compton, California 90220
Acreage: 3.8

Proposed Improvements

- Resurface outdoor basketball courts
- Installation of new basketball court backboards and rims
- Playground security lights
- Security fencing
- Existing field lights repair
- T-ball diamond
- Prefabricated outdoor restroom
- Prefabricated covered metal shade family picnic shelter
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches
- Exercise equipment stations
- Irrigation system modifications

- Landscape planting modifications

Proposed Cost: $550,000

13. South Neighborhood Park
Chester & Caldwell Street
Compton, California
Acreage: 4.83

Proposed Improvements

- Grading and planting of multipurpose field
- Prefabricated outdoor restroom
- Youth and toddler playground
- Playground security lighting
- Outdoor basketball court resurfacing
- Prefabricated covered metal shade family picnic shelter
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches
- Irrigation system modifications
- Landscape planting modifications

Proposed Cost: $450,000

14. Tragniew Neighborhood Park
2121 West Alondra Blvd
Compton, California
Acreage: 4.5

Proposed Improvements

- Playground structure enhancements
- Resurface tennis courts
- Windscreens and nets for tennis courts
- Prefabricated covered metal shade family picnic shelter
- Prefabricated outdoor restroom structure
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches

Proposed Cost: $400,000

15. Walter Tucker Neighborhood Park
560 West Laurel Street
Compton, California
Acreage: 4.9

Proposed Improvements

- Security gate for parking area
- Prefabricated covered metal shade family picnic shelter
- Installation of 10 trash receptacles
- Installation of 3 barbeque units
- Installation of 6 picnic tables
- Installation of 5 park benches

Proposed Cost: $65,000

16. Alondra Regional Park
Acreage: 18.6

Scope of Work

- Community Workshops on design and renderings
- Design and renderings for Alondra Regional Park Master Plan
- New conceptual master plan

Project Budget: $200,000 **(Item removed for further discussion concerning the need for a new conceptual master plan)**

17. Martin Luther King/Cesar Chavez Monument
Willowbrook Avenue/Compton Blvd
Compton, California 90221

Proposed Improvements

- Landscape planting with drought tolerant plants
- Monument enhancements
- Irrigation modifications

  Proposed Cost: $150,000

**Councilperson Zurita** made the following recommendations:

- Cost analysis on prefabricated restroom facilities at Gonzales Park.

- Detailed report regarding Sibrie Park's landscape and lighting design.

**Mayor Brown** commented on the significance of conducting a parks and recreation needs assessment and providing a basic level of service throughout the entire community.

Mayor Brown made the following recommendations:

- Identify the amount of money restrictive to each park.

- Staff prepares policies for drought tolerant conservation and energy efficiency enhancement programs for City Council consideration.

- LED lighting assessment improvements for parks and public spaces in bid scopes.

- ADA Compliance in all park restroom facilities.

- Cost assessment for a 'Welcome to Compton' sign along the 91 freeway near the 1984 Olympic Ring monument.

**Councilperson Galvan** presented the following recommendations:

- Installation of a Lueders Park's swimming pool slide by June 2015

- Retractable Soccer Wall at Lueders Park

- Additional cameras at Lueders Park

- New 'No Smoking' signs at Lueders Park and Wilson Park

- Advertise park improvements to the community

- Monitor the use of funds to ensure that the majority is spent on equipment and installation.

Councilperson Zurita requested the installation of previously purchased equipment items at some of the City's parks.

Councilperson Zurita also asked that the items purchased for the Gonzales Park aquatic center be installed.

Mayor Brown requested a timeline for the revised park needs proposal and budget.

Mr. Hunt indicated that he would return to City Council with a budget proposal within three weeks.

Councilperson Galvan asked that all C.A.R.E project signage be updated at all City parks.

9. POWER POINT PRESENTATION - GANG PREVENTION AND INTERVENTION PROGRAM

**Neil Holmes**, Economic Development Specialist, presented the following PowerPoint presentation statistics to the City Council and citizens of Compton.

GANG RELATED HOMICIDES
JUNE - DECEMBER
2013 - 2014

Gang Related Homicides Over 7 Months
YEAR 2013: 19 GRH (Reduced by 31%) YEAR 2014: 9 GRH

SURROUNDING CITIES

City of Los Angeles
Mayor's Office of Gang Reduction and Youth Development (Mayor's GRYD Office)
$1,000,000

City of Long Beach
Long Beach Gang Reduction, Intervention and Prevention Program
(LBGRIP)
$500,000

PROGRAM SUMMARY

The City of Compton Gang Intervention Program seeks to strengthen Compton communities through the strategic employment of neighborhood leaders to promote peace through intervention, alleviate gang-related violence, retaliation, and crime through strategic community alliances, neighborhood based programming and multi-agency partnership.

Proposed Implementation
4-Month Summer Pilot
Community Peace Squad Model

PROGRAM GOALS

- Create Peace Squads in neighborhoods affected by gang violence.
- Develop and maintain local gang truces and peace agreements.
- Provide crisis mediation and intervention.
- Provide life skills training for teens and at risk youth.
- Reduce Part 1 crimes, homicides and gang related violence and activity.
- Promote employment opportunities and communication throughout neighborhoods.

#3.

- Expand peace squad territory to surrounding neighborhoods.

PROGRAM IMPLEMENTATION

- Position description was developed by HR and reflective of best practice gang intervention activities from across the nation.
- Career Link will act as the City Manager's designee and will be the department responsible for recruitment, intake, processing and payroll.
- Career Link will work closely with the Community Oversight Manager to maintain transparency, integrity and program compliance.
- Grants will monitor program compliance, perform audits and track JAG funding as required.

2015 SUMMER PILOT PROGRAM TIMELINE

| Date | Activity |
|---|---|
| 24-March | Council Presentation |
| 7-April | Council Consideration for Approval |
| 8-April | Outreach + Recruitment + Application Available |
| 17-April | Application Closed |
| 27-April | Orientation and Training |
| 1- May | Program Launch |
| 1-September | Program Evaluation |

PROGRAM ORGANIZATION

Community Services - Gang Interventionist
-13 gang intervention workers
Community Oversight Manager & Trainer

COMMUNITY OVERSIGHT MANAGER
GANG INTERVENTION TRAINER

•Conduct Peace Squad trainings and compliance check-ups.

•Collect peace squad forms, reports and timesheets.

•Provide oversight conflict mediation when needed.

•Oversee Peace Squad leaders and conduct weekly check-ins.

•Maintain working relationship with Career Link and City staff.

•Create peace squad models that are tailored to each unique neighborhood.

PEACE SQUAD ACTIVITIES

•Engage youth in activities that build character, promote team work and community.

•Provide counseling and support to families that are victims of violence.

•Create community events that promote peace, unity and community support.

•Lead community beautification efforts.

•Educate youth on the outcomes of poor choices i.e.; drug dealing, gang activity, burglary.

•Coach youth on non-violent conflict resolution.

•Facilitate programming around sports and physical activity.

•Mediate community rumors that cause tension and igniting violent responses.

This past December 2014, the City Council adopted a resolution authorizing the implementation of a city-operated gang prevention and intervention program to reduce gang related crimes including Part I crimes throughout the City. Staff was authorized to develop policies, procedures, goals and strategic steps to identify participants and also program activities.

**Mayor Brown** proposed that an item be brought to the City Council for consideration to allocate $100,000 from the $170,000 rebate the City received from the Sheriffs' Department contract to invest in this program for one year.

**Councilperson Zurita** requested the location and job duties of the gang prevention/intervention program facilitators.

**Kim McKenzie**, Careerlink, answered that the activities will include: working with the youth to provide counseling and support for families, create community events that promote peace, unity, community support, and beautification efforts.

Councilperson Zurita requested the age range of the prospective employees. Ms. McKenzie indicated that all employees will have to be at least 18 years old.

Councilperson Zurita suggested the addition of a job training component to ensure that most community concerns of employment opportunities are adequately addressed, as well as ensuring that the location is convenient for all gang members.

**CITY ATTORNEY'S REPORTS**

**CLOSED SESSION**

10. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
Bradford v. City of Compton, LASC Case Number TC026769 Pursuant to California Government code Section 54956.9(a)

11. CONFERENCE WITH LABOR NEGOTIATOR
Agency Negotiator: City Manager
Employee Organization: Local Union of Municipal Non-Supervisory Employees (LUMNSE) Pursuant to California Government code Section 54957.6

12. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
Pursuant to California Government Code Section 54957

PUBLIC EMPLOYEE APPOINTMENT
Title: City Manager
Pursuant to California Government Code Section 54957

**Mayor Brown** stepped from the Chair to make a motion to decline all closed session items.

**Councilperson Zurita** recommended that all closed session items be held.

Mayor Brown again stepped from the Chair to make a motion to decline all closed session items due to the absence of adequate staff members available to provide the information necessary to make an informed decision.

The motion was seconded by Councilperson Galvan.

Councilperson Zurita maintained that it was disrespectful for the city manager to be absent tonight when there are so many issues to discuss.

**City Attorney Cornwell** requested that Item No. 11 be brought back in order to list the Assistant City Manager Montgomery an agency negotiator on the item to avoid confusion.

On motion by Brown, who stepped from the Chair, seconded by Galvan, to decline all closed session items, by the following vote on roll call:

**AYES: Council Members - Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - Zurita**
**ABSENT: Council Members - None**

**UNFINISHED BUSINESS**

13. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER 30 (ZONING CODE) OF THE COMPTON MUNICIPAL CODE BY DELETING SECTION 30-21.11.C AND ADDING SECTION 30-21.12 TO ESTABLISH REGULATIONS FOR A MODIFIED PARKING REQUIREMENT FOR INDUSTRIAL/WAREHOUSE PROJECTS OF TEN OR MORE ACRES IN SIZE (SECOND READING)

On motion by Zurita, seconded by Jones, to waive the reading of the ordinance in full, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

**Councilperson Arceneaux** asked that staff clarify whether or not this ordinance includes residential areas.

**City Attorney Cornwell** confirmed that Section 2 indicates the requested limitations i.e., "the purpose of this section is to create a modified parking requirement, to regulate parking for industrial warehouse uses on lots greater than 10 acres, whose requirements are difficult to anticipate and cannot adequately be provided for."

On motion by Arceneaux, seconded by Galvan, **Ordinance # 2,257** entitled **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER 30 (ZONING CODE) OF THE COMPTON MUNICIPAL CODE BY DELETING SECTION 30-21.11.C AND ADDING SECTION 30-21.12 TO ESTABLISH REGULATIONS FOR A MODIFIED PARKING REQUIREMENT FOR INDUSTRIAL/WAREHOUSE PROJECTS OF TEN OR MORE ACRES IN SIZE (SECOND READING)"** was adopted, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

14. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE EXECUTION OF THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF COMPTON AND LA BRICKYARD, LLC RELATING TO DEVELOPMENT OF REAL PROPERTY LOCATED AT 13633, 13801, 13805 SOUTH CENTRAL AVENUE IN THE CITY OF COMPTON (SECOND READING)

On motion by Zurita, seconded by Jones, to waive the reading of the ordinance in full, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

On motion by Arceneaux, seconded by Jones, **Ordinance # 2,258** entitled **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE EXECUTION OF THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF COMPTON AND LA BRICKYARD, LLC RELATING TO DEVELOPMENT OF REAL PROPERTY LOCATED AT 13633, 13801, 13805 SOUTH CENTRAL AVENUE IN THE CITY OF COMPTON (SECOND READING)"** was adopted, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT:Council Members - None**

15. MOTION TO RECONSIDER: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE NATIONAL RESOURCE NETWORK TO EXECUTE A DIRECT ASSISTANCE PLAN IN CONJUNCTION WITH THE "STRONG CITIES, STRONG COMMUNITIES PROGRAM" AND AUTHORIZING THE PAYMENT OF THE CITY'S ESTIMATED COST SHARE FOR THE ASSISTANCE ($63,714) (Item #16)

**Councilperson Arceneaux** acknowledged that she was a part of the majority 'no' vote when this item was initially considered; however upon further investigation and additional information as to where the money is coming from and if money has already been allocated in the budget, she found out that it will not take money from the reserve account. As a result, she expressed her approval of this resolution.

**Councilperson Zurita** inquired about the person that made the request to reconsider this item.

**Mayor Brown** stated that she made the request to bring this item back for reconsideration.

**City Attorney Cornwell** clarified that an item can be reconsidered if a person from the majority party motions for reconsideration.

Councilperson Zurita insisted that this item will impact the general fund.

Councilperson Arceneaux indicated that funds were allocated for this item before the last budget workshop. Ms. Arceneaux also stated that this is a matching grant.

Councilperson Zurita proposed that these funds go towards staff costs for the implementation of the City's gang prevention/intervention program.

Mayor Brown articulated to the City Council that an entire team will focus on the revitalization of Compton Boulevard, internal analysis' for efficiency and also technical assistance for the Compton Boulevard implementation plan which has already expended former City funds.

On motion by Arceneaux, seconded by Jones, **"A MOTION TO RECONSIDER: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE NATIONAL RESOURCE NETWORK TO EXECUTE A DIRECT ASSISTANCE PLAN IN CONJUNCTION WITH THE "STRONG CITIES, STRONG COMMUNITIES PROGRAM" AND AUTHORIZING THE PAYMENT OF THE CITY'S ESTIMATED COST SHARE FOR THE ASSISTANCE ($63,714) (Item #16)"** was approved, by the following vote on roll call:

**AYES: Council Members - Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - Zurita**
**ABSENT:Council Members - None**

16. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE NATIONAL RESOURCE NETWORK TO EXECUTE A DIRECT ASSISTANCE PLAN IN CONJUNCTION WITH THE "STRONG CITIES, STRONG COMMUNITIES PROGRAM" AND AUTHORIZING THE PAYMENT OF THE CITY'S ESTIMATED COST SHARE FOR THE ASSISTANCE ($63,714)

**Councilperson Arceneaux** asked if services were previously rendered.

**Assistant City Manager Montgomery** answered that the proposed services have not been rendered, however an initial assessment was conducted in May 2014 and the agency used that information to determine whether Compton could be a candidate in the competition.

On motion by Arceneaux, seconded by Jones, **Resolution # 24,116** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE NATIONAL RESOURCE NETWORK TO EXECUTE A DIRECT ASSISTANCE PLAN IN CONJUNCTION WITH THE "STRONG CITIES, STRONG COMMUNITIES PROGRAM" AND AUTHORIZING THE PAYMENT OF THE CITY'S ESTIMATED COST SHARE FOR THE ASSISTANCE ($63,714)"** was approved, by the following vote on roll call:

**AYES: Council Members - Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - Zurita**
**ABSENT: Council Members - None**

**NEW BUSINESS**

17. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO HOME DEPOT TO PURCHASE MAINTENANCE SUPPLIES FOR THE GENERAL SERVICES AND FIRE DEPARTMENTS ($10,000.00)

On motion by Zurita, seconded by Arceneaux, **Resolution # 24,117** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO HOME DEPOT TO PURCHASE MAINTENANCE SUPPLIES FOR THE GENERAL SERVICES AND FIRE DEPARTMENTS ($10,000.00)"** was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

18. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A THREE (3) YEAR PROFESSIONAL SERVICES AGREEMENT WITH WILLDAN FINANCIAL SERVICES FOR ASSISTANCE WITH THE RENEWAL PROCESS FOR THE CITY OF COMPTON'S LANDSCAPE AND LIGHTING DISTRICT NO. 1 AND SEWER SERVICE CHARGES ($49,350.00)

On motion by Zurita, seconded by Arceneaux, **Resolution # 24,118** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A THREE (3) YEAR PROFESSIONAL SERVICES AGREEMENT WITH WILLDAN FINANCIAL SERVICES FOR ASSISTANCE WITH THE RENEWAL PROCESS FOR THE CITY OF COMPTON'S LANDSCAPE AND LIGHTING DISTRICT NO. 1 AND SEWER SERVICE CHARGES ($49,350.00)"** was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

19. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACTING IN THE CAPACITY OF HOUSING SUCCESSOR AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF COMPTON AND NEIGHBORHOOD HOUSING SERVICE NEIGHBORHOOD REDEVELOPMENT CORPORATION FOR THE DISPOSITION AND DEVELOPMENT OF CERTAIN CITY OWNED PROPERTY LOCATED AT 950 WEST ALONDRA BOULEVARD (APN:6141-013-900)

On motion by Arceneaux, seconded by Jones, **Resolution # 24,119** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACTING IN THE CAPACITY OF HOUSING SUCCESSOR AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF COMPTON AND NEIGHBORHOOD HOUSING SERVICE NEIGHBORHOOD REDEVELOPMENT CORPORATION FOR THE DISPOSITION AND DEVELOPMENT OF CERTAIN CITY OWNED PROPERTY LOCATED AT 950 WEST ALONDRA BOULEVARD (APN:6141-013-900)"** was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

20. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE PROPOSED AMENDMENT TO THE CITY OF COMPTON'S FISCAL YEAR 2014-15 BUDGET FOR THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT

On motion by Arceneaux, seconded by Zurita, **Resolution # 24,119** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE PROPOSED AMENDMENT TO THE CITY OF COMPTON'S FISCAL YEAR 2014-15 BUDGET FOR THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT"** was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

21. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESOLUTION AMENDING THE 2014-2015 FISCAL YEAR BUDGET TO TRANSFER JAG 2014 FUNDS FOR THE CITY-OPERATED GANG PREVENTION AND INTERVENTION PROGRAM ($49,394.52)

**Councilperson Arceneaux** voiced a concern for the potential liabilities related to this program.

**City Attorney Cornwell** assured Councilperson Arceneaux that employees will be a part of the City's insurance policies.

On motion by Zurita, seconded by Arceneaux, **Resolution # 24,120** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESOLUTION AMENDING THE 2014-2015 FISCAL YEAR BUDGET TO TRANSFER JAG 2014 FUNDS FOR THE CITY-OPERATED GANG PREVENTION AND INTERVENTION PROGRAM ($49,394.52)"** was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

**APPROVAL OF WARRANTS**

22. Warrant No. - 226530 - 3/26/15 - Jeremy Scott - Services - Abatement Services - $5,500.00 - Requested by: City Manager

On motion by Arceneaux, seconded by Jones, Warrant No. 226530 was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

# #3.

**COUNCIL COMMENTS**

**Councilperson Zurita offered the following communications/announcements:**

- Stated that she has been asking the City Manager and City Attorney all week for clarification as to what kind of document the City was served with and was told that it is confidential.

- Also noted that it is disconcerting that the City Manager is not present to address the media's coverage regarding the City's municipal code.

- First Ladies Health Day sponsored by Walgreen's will be held Sunday, April 12, 2015 at Unity Christian Fellowship Church from 12 p.m. to 2 p.m.

- Women's Leadership Breakfast hosted by Assemblyman Mike Gipson and his wife will be held Saturday, April 11, 2015 at the Dollarhide Community Center from 10 a.m. to 12 p.m. Tickets are $15. For more information please call (323) 245-9302.

- First District Townhall meeting will be held Wednesday, April 15, 2015 at Gonzales Park from 6 p.m. to 7:30 a.m.

- 2nd Annual Hub-City Autism Network Family Fun-Day will be held Saturday, April 11, 2015 at Gonzales Park from 12 p.m. to 4 p.m. Sponsors for the event include: SEIU Local 99, Lee's Market, The Skate Connection and Optimal Christian Academy. For more information please call (310) 605-5510.

**Councilperson Galvan offered the following communications/announcements:**

- Commented on the success of the Cesar Chavez Movie in the Park event last weekend wherein over 300 people were in attendance. Thanked the Compton Business Chamber of Commerce, Victor Outreach Church, and Cynthia Nun for their contributions.

- Congratulated Albert Robles on his appointment to mayor of the city of Carson.

- Thanked the volunteers and members of Victory Outreach for their efforts during the Easter Basket Giveaway at Lueders Park.

- Partnered with the Rotary Club, TLC, Republic Trash and Mr. C's Towing to deliver 40 Easter baskets to Cynthia Nun's Angels.

- Inquired about a RFP for the City of Compton's state lobbying contract.

- Covered California Enrollment event will be held Saturday, April 18, 2015 at Our Lady of Victory Church.

- Asked Assistant City Manager Montgomery to clarify the allegations concerning the firefighters not being certified.

    - **Assistant City Manager Montgomery** clarified that persons without proper certifications are not treating patients in medical situations; in addition all firefighters and emergency medical technicians are required to have specific certifications and training. Additionally, there are those that were previously certified as EMTs who have moved into different positions (engineers, captains) where they are not required to use those skills in their current positions and so their certifications lapsed. Additionally, anyone not certified is in the process of being certified by May 2015.

- Second District Compton Initiative Clean-Up will be held Saturday, April 18, 2015 from 7 a.m. to 12 p.m.

- Asked that the City monitor the activities at the Sheriffs' Y.A.L. building.

- Asked that the skate park at Wilson Park be rededicated to Tony Hawk.

- Requested the City of Compton's response to the lawsuit filed by the Compton Unified School District.

    - **City Attorney Cornwell** indicated that their complaint is currently under review.

- Requested a resolution be brought back declaring all Parks & Recreation youth sports programs free of charge.

Resident Concerns
Request for speed bumps on Pine Street (between Santa Fe and Long Beach Boulevard)
Update the Street Sweeping signs on Pine Street
Increase in illegal dumping in the Second District
Regular maintenance of the pocket parks

**Councilperson Arceneaux offered the following communications/announcements:**

- Commented on the importance of practicing water conservation, Metropolitan Water District's efforts to ration water, and Governor Brown's plans to enforce water conservation in the state of California.

- Third District townhall meeting will be held Thursday, April 16, 2015 at Burrell McDonald Park from 6 p.m. to 7 p.m.

- Complimented the Parks & Recreation Department for their efforts to rehabilitate Raymond Street Park.

- Compton Creek Clean-up will be held Saturday, April 18, 2015 from 8 a.m. to 12 p.m. Volunteers are asked to meet behind Compton High School. A free breakfast, snack, and lunch will be provided to all volunteers. Community service credits are available for high school students. For more information contact the Parks & Recreation department at (310) 605-5688.

- Board of Equalization Chairman Jerome Horton will be hosting a "Connecting Women to Power Business Conference" to be held Thursday, June 18, 2015 from 8:30 a.m. to 5 p.m. at California State University Dominguez Hills in the student auditorium. For more information please call (888) 847-9652 or go to www.boe.ca.gov/members/horton/event.

- Coast to Coast Job Fair will be held Monday, April 27, 2015 from 11 a.m. to 2 p.m. at the LAX Concourse Hotel. For more information, go to www.coasttocoastcareerfair.com.

**Councilperson Jones offered the following communications/announcements:**

- Thanked Congresswoman Janice Hahn by hosting a ceremony in honor of naming the North Long Beach post office after the late Congresswoman Juanita Millender-McDonald.

- Assisted Bishop Withers of Unity Christian Fellowship Church with hosting an Easter Egghunt at Kelly Park last Saturday.

#3.

**Mayor Brown offered the following communications/announcements:**

- Commented on the success of the Reopening of the Watts Boys & Girls Club, Young Girls Symposium at Hope & Christ Church, and the Metro CDC Springfest First Year Anniversary celebration.

- Invited all employees to participate in the $500 Employee Health Challenge.

- Reception for the Compton High School basketball team is coming soon.

- Community Policing Taskforce meeting will be held Thursday, April 16, 2015 in the Blue Room at 10 a.m.

- Second Annual Autism Arts & Music Celebration will be held Sunday, April 19, 2015.

- Commented on the importance of local agencies focusing on how they can work collaboratively to put an end to illegal business operations in the City of Compton.

- Made mention of the Los Angeles Times news article concerning the Compton firefighters and maintained that community leaders should make certain that their statements to the news media are true and that their choices do not defame the City and citizens of which they were elected to serve.

**ADJOURNMENT**

On motion by Arceneaux, seconded by Jones, the meeting was adjourned at 7:37 p.m., by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

_____ _____

**City Clerk of the City of Compton** **Mayor of the City of Compton**

**APRIL 14, 2015**

The City Council meeting was called to order at 5:50 p.m. in the Council Chambers of City Hall by Mayor Aja Brown.

**ROLL CALL**

**Council Members Present:** **Zurita, Galvan, Arceneaux, Jones, Brown**
**Council Members Absent:** **None**

**Other Officials Present:** **C. Cornwell, A. Godwin, J. Ford**

**COMMENDATORY RESOLUTIONS/PRESENTATIONS**

1. ORAL PRESENTATION - AN UPDATE TO MAYOR AND CITY COUNCIL (Restoration Diversion Services)

**Senita Farley**, Executive Director and Founder of Restoration Diversion Services (RDS) located at 208 North Long Beach Boulevard, petitioned the City Council and citizens of Compton to support their efforts to become one of Compton Superior Court's alternative rehabilitation programs for women and girls victimized by the sex-trafficking industry.

**Natasha Ashley**, Restoration Diversion Services representative, presented the history and mission of the organization and the significance of the services offered to the women and girls on Long Beach Boulevard.

RDS service hours are: Mondays and Fridays from 10 a.m. to 5 p.m.; Wednesdays from 12 p.m. to 5 p.m.; Tuesdays, Thursdays and Saturdays are by appointment only. If you would like more information regarding the services provided by this organization please call (310) 639-1695.

SPECIAL PRIVLEGE - COMPTON CREEK MOSQUITO ABATEMENT DISTRICT - Mitchell Weinbaum

**Mitch Weinbaum**, Compton Creek Mosquito Abatement District, announced that there were over 800 human cases of West Nile Virus last year which represents the highest incidence in the last ten years in the state of California.

Mr. Weinbaum encouraged all residents to actively remove all pots or puddles of standing water around their homes to reduce their chances of contracting the West Nile Virus. For more information on how you can prevent contracting the West Nile Virus please visit: www.comptoncreekmad.org.

Board meetings are held at 10 a.m. on the second Monday of every month at District Headquarters located at 1224 South Santa Fe Avenue, Compton, California.

**PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS**

**David Irons**, Compton resident, made reference to his requests last week for a four-way stop sign at the intersection of Parmalee and 138th Street and an increase in the time allotted for pedestrian crossing at the intersection of Rosecrans and Parmalee. He went on to question whether or not local law enforcement officers were certified in HAZMAT training given that fire department personnel have been known to burn hazardous waste at Fire Station No.3.

**Benjamin Holifield**, Compton resident, complimented Senita Farley for her efforts to address human sex-trafficking in the City of Compton. He expressed his support for the proposed Wal-Mart development, citing several employment opportunities for the youth and the elimination of negative influences and blight bordering Compton and Lynwood. He complimented Paige Vaughn and other department heads for their efforts to make Compton clean, safe, and friendly towards economic developments. He went on to request immediate efforts by the City of Compton, Compton Unified School District, and college officials to regain control of Compton Community College.

**Herbert Arceneaux**, Compton resident, asked that staff immediately address the lack of lighting at 600 North Alameda because it has been over five months since the issue was first introduced to the City Council and Sheriffs' Department. He also asked that someone address the maintenance of the Santa Fe post office. He made reference to Earl Hutchinson's article in the Wave newspaper and demanded that the citizens of Compton receive quality service. He went on to request a report back regarding the allegations against Compton Fire Department personnel.

**Councilperson Zurita** directed the City Manager to put pressure on Southern California Edison to maintain their street light fixtures in the City of Compton. Ms. Zurita also stated that she agrees with the issues concerning the Santa Fe post office.

**Nestor Carrera**, Pacific Coast Regional representative, encouraged Compton's small business owners to participate in their Revolving Loan Fund program which offers participants technical assistance, one-on-one counseling, and loans from $5,000 to $2.5 Million.

**Myron Perryman**, Pacific Coast Regional Small Business Development Corporation representative, invited the City's small business owners to apply for the Community Advantage program who focus is smaller loans in the amount of $150,000 and below.

**Clinton Stewart**, Compton resident, petitioned the City Clerk to address the potential for vote-by-mail fraud when ballots are returned to the post office. He also inquired about a timeline for street repair on 127th Street.

**City Clerk Alita Godwin** encouraged registered voters to re-register if they have moved to a new location. She also encouraged residents to report the names to the Los Angeles County Register Recorder's Office if they received voter information in someone's name that do no reside at their home. She further asked that the residents help her to help clean up the voter rolls.

**Michael Turner**, Compton resident, stated that the residents were already aware that Wal-Mart was coming to Compton before it was publicly announced; and asked the City Manager to address whether or not the property at 600 North Alameda is for sale.

**City Manager Ford** confirmed that 600 North Alameda is not for sale.

Mr. Turner stated that he knows for sure that the facility at 600 North Alameda will be sold and that he has noticed several properties being sold over the years. He asked that the City Council take the position that the property in Compton is valuable and instead of selling the properties, he insisted that city-owned facilities be closed down until utility costs are manageable.

**Mayor Brown** clarified that Wal-Mart's purchase of a privately-owned existing retail facility (former Compton Swapmeet) does not require approval from the City Council because they are replacing it with the same land-use.

Mayor Brown also stated that she does not support the sale of existing city facilities nor can city-owned properties be sold without a vote of the City Council.

**Lorraine Cervantes**, Compton resident, encouraged the members of the community to support Restoration Diversion Services by volunteering and/or donating funds towards their efforts. She went on to accuse Charles Davis of posting illegal campaign signs throughout the community. She also accused the First District representative of violating Section 84308 of the Fair Political Practice Commission as per her involvement in the brickyard development.

**Lynn Boone**, Compton resident, made reference to Item No. 4 and inquired about documentation from the Compton Superior Court indicating cancellation of rooftop access for 120 days and the consequences if the City waits to complete the wiring after 120 days. She made reference to Item No. 5 and requested the contract costs to hiring Pacific Coast Regional to perform their services, the timeline for their services, and the criteria for selecting their company. She indicated that she was pleased with the administration of the candidates forum held at Kelly Park and further encouraged the citizens to vote for individuals not rubber stamps. She went on to express her support for Barbara Calhoun as First District representative.

## CONSENT AGENDA

On motion by Zurita, seconded by Arceneaux, the Consent Agenda was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

**APPROVAL OF MINUTES**

2. MARCH 10, 2015 **(Approved)**
   MARCH 24, 2015 **(Approved)**

## END CONSENT AGENDA

## REGULAR AGENDA

**CITY MANAGER'S REPORT**

3. COMPTON CLEAN PRESENTATION **(Reagendad)**

**CITY ATTORNEY'S REPORTS** - There were no City Attorney's Reports.

**UNFINISHED BUSINESS** - There was no Unfinished Business.

**NEW BUSINESS**

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE CONSTRUCTION SERVICES AGREEMENT WITH LEVERAGE INFORMATION SYSTEMS TO EXPAND THE SCOPE OF SERVICES, EXTEND THE CONTRACT TERM AND INCREASE THE CONTRACT PRICE FOR THE INTEGRATION OF THIRTY EIGHT (38) RADIO ANTENNAS FROM THE EXISTING WIRELESS ETHERNET NETWORK ("CITY OF COMPTON ADVANCED SURVEILLANCE AND PROTECTION PROJECT" CFD-0814) WITH THE ECONOLITE CONTROL PRODUCTS, INC. CENTRACS ADVANCED TRANSPORTATION MANAGEMENT SYSTEM FOR THE TRAFFIC MANAGEMENT AND OPERATIONS CENTER PROJECT (CIP #12-01) ($194,207.38); AND RESCINDING RESOLUTION NO. 24,114.

On motion by Zurita, seconded by Arceneaux, **Resolution # 24,122** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE CONSTRUCTION SERVICES AGREEMENT WITH LEVERAGE INFORMATION SYSTEMS TO EXPAND THE SCOPE OF SERVICES, EXTEND THE CONTRACT TERM AND INCREASE THE CONTRACT PRICE FOR THE INTEGRATION OF THIRTY EIGHT (38) RADIO ANTENNAS FROM THE EXISTING WIRELESS ETHERNET NETWORK ("CITY OF COMPTON ADVANCED SURVEILLANCE AND PROTECTION PROJECT" CFD-0814) WITH THE ECONOLITE CONTROL PRODUCTS, INC. CENTRACS ADVANCED TRANSPORTATION MANAGEMENT SYSTEM FOR THE TRAFFIC MANAGEMENT AND OPERATIONS CENTER PROJECT (CIP #12-01) ($194,207.38); AND RESCINDING RESOLUTION NO. 24,114."** was approved by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO TRANSFER THE CITY'S REVOLVING LOAN FUND (RLF) IN AN AMOUNT NOT TO EXCEED $370,000 TO PACIFIC COAST REGIONAL (PCR) SMALL BUSINESS DEVELOPMENT CORPORATION

**Councilperson Arceneaux** asked the City Manager to issue a brief overview of this resolution.

**City Manager Ford** stated that since the inception of the RLF program in 1982, the City of Compton has offered 18 loans resulting in 13 successful paybacks and five loans defaulting. As a result, over the last five to six years the program has been heading into default, consequently, the federal government approached the City with the intent to eradicate the program completely or authorize the use of a third party non-profit organization to administer the program. After an investigation into the referred agency's (PCR) background, discussions with Mayor Brown and the federal government staff decided to transfer the administration of the RLF program to PCR in order to keep the program.

On motion by Zurita, seconded by Arceneaux, **Resolution # 24,123** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO TRANSFER THE CITY'S REVOLVING LOAN FUND (RLF) IN AN AMOUNT NOT TO EXCEED $370,000 TO PACIFIC COAST REGIONAL (PCR) SMALL BUSINESS DEVELOPMENT CORPORATION"** was approved, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

**APPROVAL OF WARRANTS** - There were no warrants to be approved.

**COUNCIL COMMENTS**

**Councilperson Zurita offered the following communications/announcements:**

- First District Townhall meeting will be held Wednesday, April 15, 2015 from 6 p.m. to 7:30 p.m. at Gonzales Park.
- Asked the City Manager to provide a report on the $996,000 in grant funds the City received last September for the Wilmington Avenue street project.
- Asked the City Manager to provide an update on the findings from the County of Los Angeles regarding Compton Fire personnel.
- Asked that the next City Council agenda include closed session items to address an employment search and labor union negotiations.
- Asked the City Manager to provide a report as to the results of his discussions with Southern California Edison regarding the lighting near 600 North Alameda.
- Asked the City Manager to address the time allotted for pedestrian crossing at the intersection of Rosecrans and Parmalee.
    - **City Manager Ford** stated that the matter was referred to the Public Works Director.
- Requested a timeline for the installation of a street sign at Acacia and Compton Boulevard.

**Councilperson Galvan offered the following communications/announcements:**

- Wished Joyce Kelly a Happy Birthday.
- Compton Initiative will be in the Second District Saturday, April 18, 2015.

- Covered California Enrollment event will be held Saturday, April 18, 2015 from 10 a.m. to 2 p.m. at Our Lady of Victory Church.

- Recognized the Grants and Parks and Recreation Departments for their contributions towards the success of the Youth Recreation Spring Break program.

- Also recognized Kim McKenzie and Careerlink staff for their efforts to hire 94 youths for the Youth Employment Spring Break program.

- Requested new basketball equipment at Wilson Park gym.

- Requested a resolution waiving all youth sports program fees for all residents on the agenda next week.

    - **City Attorney Cornwell** advised the City Council to schedule a public hearing to revise the Parks and Recreation sports fee schedule as per the Compton Municipal Code Section18-10.

- Asked that the scheduling of the public hearing be placed on next week's agenda.

- Invited the business community to join the Rotary Club. Meetings are held every Wednesday at the Dollarhide Community Center. The fee is $250.

- Requested an RFP process for the selection of the City's state lobbyist.

- Requested a resolution be brought back re-naming the Wilson Park skate park after Tony Hawk, the professional skater who paid for it years ago.

- Reported a Southern California Edison street light outage at Alhambra and Oaks Street.

- Encouraged the citizens to exercise their right to vote April 21, 2015.

**Resident Concerns**
Speed bumps on Oaks Street and Pine Street

**Councilperson Arceneaux offered the following communications/announcements:**

- Announced the vote by the Metropolitan Water District (MWD) today to reduce its water deliveries by 25% and declaration of a Level 3 regional shortage effective July 1, 2015.

- Asked that staff address how the water shortage will affect the City of Compton's water supply.

    - **Chad Blais**, Deputy Director of Public Works, stated that it is in the City's best interest to conserve its ground water because it is recharged primarily with local rainfall and water from MWD.

- Asked that the water department prepare an information sheet for city-wide distribution that lists the different incentive and grant programs where citizens can apply for funds to replace their lawns and plant drought tolerant foliage.

- Recognized Coach Tony Thomas, Robert Lewis, and Javonte Jackson for winning the first Compton High School C.I.F. SSS Division Two/A championship in 64 years.

- Los Angeles Conservation Corps announced that they will be opening a satellite office at Washington Elementary School by September 2015.

#3.

**Councilperson Jones offered the following communications/announcements:**

- Commended the City Council and City staff for their contributions towards the success of the Youth Employment Spring Break program; also requested additional resources to expand the program.

- Announced the Second Annual Cinco De Mayo Celebration to be held Sunday, May 3, 2015 from 10 a.m. to 9 p.m. at Our Lady of Victory Church.

- Had the opportunity to attend the Board of Supervisors meeting in Downtown Los Angeles to support SEIU long-term healthcare workers in their efforts to get $15/hour approved in their contract.

- Directed the City Manager to assess the current needs in the departments and include priorities in this budget cycle for staff equipment replacement and repair.

**Mayor Brown offered the following communications/announcements:**

- Congresswoman Janice Hahn and the City Council will be hosting a community reception in honor of the C.I.F. Champions Compton High School Basketball team members Tuesday, April 28, 2015 from 3:30 p.m. to 5 p.m. at the Dollarhide Community Center.

- Community Policing Taskforce meeting will be held Thursday, April 16, 2015 at 10 a.m. in the Blue Room.

- 2nd Annual Autism Arts & Music Celebration will be held Sunday, April 19, 2015 from 12 p.m. to 4 p.m. at the Heritage House.

- Compton Worksource Center has partnered with the City of Compton to pay the salaries of 50 youth for summer employment. If you would like more information regarding this program please call (310) 605-5597 or email contactmayor@comptoncity.org.

- Implement Conserve Compton Energy & Water Conservation incentive program for business and residential customers.

- Clarified that she does not endorse a convicted felon for public office nor can a convicted felon run for public office.

**Resident Concerns**
Slow response from Animal Control to pick up dead animals

**Meeting adjournment**
Markese Lawrence

**ADJOURNMENT**

On motion by Zurita, seconded by Arceneaux, the meeting was adjourned at 8:09 p.m. in memory of **Markece Lawrence**, by the following vote on roll call:

**AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown**
**NOES: Council Members - None**
**ABSENT: Council Members - None**

_____ _____

**City Clerk of the City of Compton** **Mayor of the City of Compton**

April 14, 2015

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: PAIGE VAUGHAN, CHIEF BUILDING OFFICIAL
BUILDING AND SAFETY DEPARTMENT

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AMENDMENTS TO THE AGREEMENTS WITH ALL CITY MANAGEMENT SERVICES, INC. AND THE COMPTON UNIFIED SCHOOL DISTRICT TO PROVIDE CROSSING GUARD SERVICES FOR AN ADDITIONAL LOCATION ($2,659.80).**

## SUMMARY

Adoption of the attached resolution will authorize the City Manager to amend the agreements between the City and All City Management Services, Inc. ("All City") and the Compton Unified School District ("CUSD") to provide crossing guard services for the remainder of the school year at the location of Greenleaf Boulevard and Wilmington Avenue at a shared cost with the CUSD in an amount not to exceed Two Thousand Six Hundred Fifty Nine Dollars and Eighty Cents ($2,659.80).

## BACKGROUND

On October 7, 2014, the City Council adopted Resolution No. 24,029, authorizing the City Manager to enter into two (2) agreements; one with All City to provide School Crossing Guard services for CUSD on behalf of the City, in addition to entering into an agreement with the CUSD to equally share the cost.

All City currently provides crossing guards at 22 specified locations for the benefit of students of the CUSD during the regular school term for the Fiscal Year 2014-2015 at a total shared cost between the City and CUSD in the amount of $272,373.75.

## STATEMENT OF FACT

To insure the safety and welfare of students and pedestrians, staff members of the City and CUSD have determined that there is a need to amend the current contracts to provide one (1) additional crossing guard at the intersection of Greenleaf Boulevard and Wilmington Avenue.

Commencing April 6, 2015, All City will provide one additional crossing guard for a total of 156 additional hours. The billable hourly rate for the additional crossing guard will be Seventeen Dollars and Five Cents ($17.05) per hour, and will cover the remainder of the school year, June 5, 2015.

## FINANCIAL IMPACT

The City of Compton and the Compton Unified School District will pay equal shares of One Thousand Three Hundred Twenty Nine Dollars and Ninety Cents ($1,329.90) for provision of the additional crossing guard services. The fiscal impact of expenses associated with the services shall not exceed a total of Two Thousand Six Hundred Fifty Nine Dollars and Eighty Cents ($2,659.80). Funds have been allocated in the Building and Safety Department 2014-2015 Fiscal Year Budget in Account No. 1001 770 000 4269.

## RECOMMENDATION

Staff recommends approval of this resolution.

**PAIGE VAUGHAN, CHIEF BUILDING OFFICIAL
BUILDING AND SAFETY DEPARTMENT**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD
CITY MANAGER**

**SIXTH AMENDMENT TO**
**CROSSING GUARD SERVICES AGREEMENT**
**BETWEEN**
**CITY OF COMPTON**
**AND**
**ALL CITY MANAGEMENT SERVICES, INC.**

This **SIXTH AMENDMENT** is entered into by and between the **CITY OF COMPTON,** a municipal corporation of the State of California (hereinafter referred to as **"CITY"**), located at 205 South Willowbrook Avenue, Compton, California 90220, and **ALL CITY MANAGEMENT SERVICES, INC.** (hereinafter referred to as **"ALL CITY"**), located at 10440 Pioneer Boulevard – Suite 5, Santa Fe Springs, California 90670

## RECITALS

**WHEREAS,** pursuant to Resolution No. 24,029, adopted on the 7th of October 2014, the City Council authorized the City Manager to extend the Agreement with All City to provide crossing guard services at various locations for the benefits of students of the Compton Unified School District during the school term for 2014-2015 at a total cost of $272,373.75; and

**WHEREAS,** to insure the safety and welfare of students and pedestrians it has been determined that there is a need to amend the agreement with All City to provide one (1) additional crossing guard at the intersection of Greenleaf Boulevard and Wilmington Avenue for the remainder of the 2014-2015 school term; and

**WHEREAS,** by Resolution No. _____ adopted on the ___ day of _____, 2015, the City Council authorized the City Manager to amend the agreement with All City for provision of the additional crossing guard at a total cost of $2,659.80; and

**WHEREAS,** Section 18 of the original Agreement provides that the Agreement may be amended by a written document executed by both parties.

**NOW, THEREFORE,** the above parties do hereby mutually agree to amend the Agreement as follows:

## AMENDMENTS

**1.** The parties agree to amend **Section 1 – Scope of Services to be Rendered by All City** of the original Agreement to provide for the provision of one (1) additional crossing guard at the intersection of Greenleaf Boulevard and Wilmington Avenue for a total of 156 hours from April 6, 2015 through the end of the 2014-2015 school term, June 5, 2015, unless this Agreement is terminated sooner as provided herein.

**2.** The parties agree to amend **Section 4 – Compensation** of the original Agreement to provide additional compensation for the provision of the one (1) additional crossing guard during the remaining school term based on the following billing rates, with a maximum not-to-exceed total compensation of **Two Thousand Six Hundred Fifty Nine Dollars and Eighty Cents ($2,659.80): Seventeen Dollars and Five Cents**

**($17.05) per hour guard services provided, with a maximum total of 156 hours of services** provided at the specified location of Greenleaf Boulevard and Wilmington Avenue.

**3.** Except as provided for above, all other terms and conditions of the original Agreement and subsequent amendments thereto between the City and All City all remain in effect.

**IN WITNESS WHEREOF,** the authorized representatives of the above parties have executed this **SIXTH AMENDMENT** to the **SERVICES AGREEMENT.**

**ALL CITY MANAGEMENT SERVICES, INC.**

**By _____ Dated: _____**
**Demetra Farwell, Corporate Secretary**

**CITY OF COMPTON**
**Recommended for approval:**

**Dated: _____** **By _____**
**Paige Vaughan, Chief Building Official**
**Building and Safety Department**

**Dated: _____** **By _____**
**Johnny Ford, City Manager**

**Approved as to form:**

**By _____ Dated: _____**
**Craig J. Cornwell, City Attorney**

**ATTEST:**

**Dated: _____** **By _____**
**Alita Godwin, City Clerk**

From: sharp@comptoncity.org
Sent: Tuesday, March 17, 2015 5:08 PM
To: Satra Zurita
Subject: Scanned image from MX-M623N
Attachments: sharp@comptoncity.org_20150317_190804.pdf

Reply to: sharp@comptoncity.org <sharp@comptoncity.org> Device Name: Not Set
Device Model: MX-M623N
Location: Not Set

File Format: PDF (Medium)
Resolution: 200dpi x 200dpi

Attached file is scanned image in PDF format.
Use Acrobat(R)Reader(R) or Adobe(R)Reader(R) of Adobe Systems Incorporated to
view the document.
Adobe(R)Reader(R) can be downloaded from the following URL:
Adobe, the Adobe logo, Acrobat, the Adobe PDF logo, and Reader are registered
trademarks or trademarks of Adobe Systems Incorporated in the United States
and other countries.

http://www.adobe.com/

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AMENDMENTS TO THE AGREEMENTS WITH ALL CITY MANAGEMENT SERVICES, INC. AND THE COMPTON UNIFIED SCHOOL DISTRICT TO PROVIDE CROSSING GUARD SERVICES FOR AN ADDITIONAL LOCATION ($2,659.80).**

**WHEREAS**, in an effort to provide for the safety and welfare of children who must cross busy thoroughfares and streets to reach their schools, the City of Compton and the Compton Unified School District have collaborated to provide crossing guard services at 22 designated locations within the City of Compton; and

**WHEREAS**, on October 7, 2014, the City Council adopted Resolution 24,029 authorizing the City Manager to enter into agreements with All City Management Services, Inc. and the Compton Unified School District for providing crossing guards services for designated locations within the City for the 2014-2015 school year; and

**WHEREAS**, the City of Compton and the Compton Unified School District wish to amend the contracts between themselves and with All City Management Services, Inc. to provide crossing guard services for an additional location at Greenleaf Boulevard and Wilmington Avenue; and

**WHEREAS,** the billable hourly rate for the additional crossing guard will be Seventeen Dollars and Five Cents ($17.05) per hour, and will cover the period of April 6, 2015 through the remainder of the school year, June 5, 2015; and

**WHEREAS,** the City of Compton and the Compton Unified School District shall pay equal shares of One Thousand Three Hundred Twenty Nine Dollars and Ninety Cents ($1,329.90) of the agreed amount of Two Thousand Six Hundred Fifty Nine Dollars and Eighty Cents ($2,659.80) for provision of the additional crossing guard services; and

**WHEREAS**, funds for the aforementioned expenditure have been allocated in the Building and Safety Fiscal Year 2014/2015 annual budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1**. That the City Manager, upon the advice and approval of the City Attorney is hereby authorized to amend the agreements with All City Management Services, Inc. and the Compton Unified School District to provide additional crossing guard services for the intersection of Greenleaf Boulevard and Wilmington Avenue for the reminder of the 2014-2015 school year (April 6, 2015 through June 5, 2015).

**SECTION 2.** That the cost of the additional crossing guard services shall be rendered for the sum of Two Thousand Six Hundred Fifty Nine Dollars and Eighty Cents ($2,659.80), with the City of Compton and the Compton Unified School District paying equal shares of One Thousand Three Hundred Twenty Nine Dollars and Ninety Cents ($1,329.90).

**SECTION 3**. That a purchase order is authorized to be established with All City Management, Inc. in the amount of Two Thousand Six Hundred Fifty Nine Dollars and Eighty Cents ($2,659.80).

**SECTION 4.** That funds in the amount of Two Thousand Six Hundred Fifty Nine Dollars and Eighty Cents ($2,659.80) are allocated in Account No. 1001 770 000 4269.

**SECTION 5**. That a copy of this Resolution shall be filed in the Offices of the City Manager, City Attorney, City Controller and the Building and Safety Department.

#4.



**SECTION 6**. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this ___ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST**:

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) ss
CITY OF COMPTON: )

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested to by the City Clerk at a regular meeting thereof held on the ___ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBER –**
**NOES: COUNCIL MEMBER –**
**ABSENT: COUNCIL MEMBER –**
**ABSTAIN: COUNCIL MEMBER –**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**4/16/2015 9:53:38 AMStephen Ajobiewe4/16/2015 8:54:28 AMJohnny Ford4/15/2015 5:11:35 PMPaige Vaughn4/9/2015 12:27:28 PMKelly Montgomery4/9/2015 12:26:17 PMStephen Ajobiewe4/8/2015 11:11:00 PMKelly Montgomery4/8/2015 5:37:16 PMPaige Vaughn4/2/2015 10:30:35 AMKelly Montgomery**

## RESOLUTION SIGN-OFF FORM

**DEPARTMENT:** **Building and Safety**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AMENDMENTS TO THE AGREEMENTS WITH ALL CITY MANAGEMENT SERVICES, INC. AND THE COMPTON UNIFIED SCHOOL DISTRICT TO PROVIDE CROSSING GUARD SERVICES FOR AN ADDITIONAL LOCATION ($2,659.80).**

| | |
|---|---|
| ***Paige Vaughn*** | **3/26/2015 3:21:46 PM** |
| DEPARTMENT MANAGER'S SIGNATURE | DATE |

**REVIEW / APPROVAL**

| | |
|---|---|
| ***Ruth Rugley*** | **4/16/2015 11:43:45 AM** |
| CITY ATTORNEY | DATE |
| ***Stephen Ajobiewe*** | **4/1/2015 12:46:57 PM** |
| CITY CONTROLLER | DATE |
| ***Johnny Ford*** | **3/31/2015 6:01:40 PM** |
| CITY MANAGER | DATE |

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

April 28, 2015

TO: MAYOR AND COUNCIL MEMBERS

FROM: JON THOMPSON, FIRE CHIEF
**COMPTON FIRE DEPARTMENT**

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO WAXIE ENTERPRISE, INC. FOR CUSTODIAL SUPPLIES FOR MAINTENANCE OF THE COMPTON FIRE STATIONS ($2,500)**

## SUMMARY

This resolution authorizes the City Manager to issue a purchase order to Waxie Enterprise Inc. for the purchase of custodial supplies for use at the Compton fire stations in the amount of $2,500.00.

## BACKGROUND

The Fire Department must ensure the proper maintenance of all four Fire Stations. It is necessary to purchase seat covers, paper towels, toilet paper, floor wax, furniture polish, dusters, hand soap, bleach, antibacterial bathroom scrubbers, and other custodial supplies for these facilities.

## STATEMENT OF THE ISSUE

The Fire Department has conducted business with Waxie Enterprise Inc. for approximately five years. Waxie stocks a wide variety of custodial supplies at competitive prices. Waxie sells specific products that are tailored to accomplish the goals of the Fire Department's maintenance needs. The Fire Department wishes to continue to purchase custodial supplies from Waxie.

A purchase order has been issued to the Fire Department in the amount of $2,500.00. However, an additional $2,500.00 is needed to purchase supplies through the end of the fiscal year. A resolution for the funding is necessary because General Services has already spent 20,000.00 dollars with Waxie.

## FISCAL IMPACT

Funds have been allocated and are available in Account Nos. 1001 690 000 4239 ($2,189.54) and 1001 690 000 4230 ($310.46) of the Fire Department's 2014-2015 Fiscal Year Budget.

## ALTERNATIVE

The alternative would be for the Fire Department to use one of the other vendors that provide janitorial supplies to the City. However, those vendors I am speaking of (ie. Smart and Final, Hillyard) do not offer some of the current products that the Fire Department uses and purchases from Waxie on a regular basis. Therefore, the decision to use the other unselected vendors would not be a prudent decision.

## RECOMMENDATION

Staff recommends that the City Council approve the attached resolution.

**JON THOMPSON**
**FIRE CHIEF**

**APPROVED TO FORWARD:**

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO WAXIE ENTERPRISE, INC. FOR CUSTODIAL SUPPLIES FOR MAINTENANCE OF THE COMPTON FIRE STATIONS ($2,500)**

**WHEREAS,** the Fire Department must ensure the proper maintenance of Fire Department facilities by providing custodial services; and

**WHEREAS,** in order to maintain Fire Station facilities, it is necessary to purchase custodial supplies for the Fire Department; and

**WHEREAS**, Waxie Enterprise, Inc. stocks a large variety of custodial supplies and the Fire Department has conducted business with them for approximately five years; and

**WHEREAS,** it is in the best interest of the City of Compton to issue a purchase order to Waxie Enterprise Inc. in the amount of $2,500.00 to purchase custodial supplies needed for the remainder of the fiscal year.

**WHEREAS**, this resolution is necessary because the General Services Department also makes purchases from Waxie Enterprise and approximately $25,000.00 dollars in maintenance products has already been purchased from Waxie.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** That the City Manager is authorized to issue a purchase order to Waxie Enterprise, Inc. in the amount of $2,500.00 for custodial supplies.

**SECTION 2.** That funds are allocated in the Fire Department's 2014-2015 Fiscal Year Budget as follows:

| **Account No.** | **Amount** |
|---|---|
| 10016900004239 | $2,189.54 |
| 10016900004230 | $310.46 |

**SECTION 3.** That copies of this Resolution shall be filed in the offices of the City Manager, City Controller, Fire Chief and City Clerk.

**SECTION 4.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**
**ABSTAINS: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Fire Department**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO WAXIE ENTERPRISE INC. FOR CUSTODIAL SUPPLIES**

***Jon Thompson*** — **4/20/2015 2:48:43 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

**REVIEW / APPROVAL**

***Ruth Rugley*** — **4/22/2015 11:40:33 AM**
CITY ATTORNEY — DATE

***Stephen Ajobiewe*** — **4/21/2015 6:43:10 PM**
CITY CONTROLLER — DATE

***Johnny Ford*** — **4/20/2015 8:53:21 PM**
CITY MANAGER — DATE

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

**April 28, 2015**

**TO: HONORABLE MAYOR AND COUNCIL MEMBERS**

**FROM; CITY MANAGER**

**SUBJECT: REQUEST TO INITIATE RFP PROCESS FOR STATE LOBBYING SERVICES FOR FISCAL YEAR 2015-2016**

**SUMMARY**
At the request of Councilman Galvan, staff is requesting City Council's approval to initiate an RFP process to engage a firm to provide the City's State lobbying services for Fiscal Year 2015 - 2016.

**BACKGROUND**
For the past several years, the City has utilized the services of Strategic Counsel to provide State lobbying services for the City of Compton. Strategic Counsel's current agreement with the City will expire on June 30, 2015.

**STATEMENT OF ISSUE**
Annually, the City of Compton engages a firm for the following State lobbying services:

- Legislative Bill Identification
- Bill Drafting
- Bill Analysis and Background Search
- Consulting on Position Determination
- Bill Tracking
- Evaluation/Analysis of Amendments

The City, may, at its discretion, receive bids from various firms that can provide these services in an effort to obtain the lowest most responsible bid.

**FISCAL IMPACT**
There is no fiscal impact to the City of Compton for adopting the RFP process for the State lobbying services.

**JOHNNY FORD**
**CITY MANAGER**

**April 28, 2015**

**TO:** **MAYOR AND COUNCIL MEMBERS**

**FROM:** **JOHNNY FORD**
**CITY MANAGER**

**SUBJECT:** **REQUEST TO SCHEDULE A PUBLIC HEARING TO RECEIVE COMMENTS ON THE PROPOSED SUBSTANTIAL AMENDMENT TO REPROGRAM HUD FUNDS [May 12, 2015 @5:55 p.m.]**

The City of Compton, as a direct entitlement community to the U.S. Department of Housing and Urban Development (HUD), is required to hold public hearings to receive input from residents on proposed changes in funding allocations for CDBG, HOME, Section 108 and ESG projects and activities from current and/or prior years Action Plans. Therefore, in order to notify the public about the proposed Substantial Amendment, a public hearing is requested for **Tuesday, May 12, 2015 at 5:55pm.**

**JOHNNY FORD**
**CITY MANAGER**

**April 28, 2015**

**TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS**

**FROM: CITY MANAGER**

**SUBJECT: REQUEST RESCHEDULE LICENSE REVOCATION HEARING FOR THE REVOCATION OF SPECIAL BINGO LICENSE BL 09-01 PURSUANT TO COMPTON MUNICIPAL CODE SECTION 9-23.10 FROM MAY 12, 2015 TO MAY 19, 2015 AT 3:35PM**

## SUMMARY:

The City Council will consider a request to Re-schedule a License Revocation Public Hearing from Tuesday, May 12, 2015 to **Tuesday, May 19, 2015 at 3:35 p.m.,** to determine whether the Special Bingo License BL 09-01 issued to the Samoan Congregational Church of South LA shall be revoked pursuant to CMC Section 9-23.10.

## BACKGROUND:

The Samoan Congregational Church of South LA received a Special Bingo License in January 2010 pursuant to Ordinance No. 23038. The Bingo Licensee holds weekly bingo games at Crystal Casino, located at 123 East Artesia Bl., Compton, California.

## STATEMENT OF THE ISSUE:

According to CMC Section 9-23.16(e), "the City Manager may at any time require any licensee to prepare and file with the City a copy of an audit prepared by a certified public accountant.... Special licensees shall, in any case, submit such an audit every six (6) months from the date of issuance of the license." As of April 2, 2015, no audit has been submitted to the City despite several requests from Staff.

Further, CMC Section 9-23.16(f) requires a report to be filed with the City on or before the first of each month for the life of the license. The Bingo Licensee has not submitted monthly reports consistent with this section.

#9.

**RECOMMENDATION:**

Staff recommends that the City Council schedule a License Revocation hearing on this matter for **Tuesday, May 19, 2015 at 3:35 p.m.**

**JOHNNY FORD**
**CITY MANAGER**

April 28, 2015

**TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS**

**FROM: CITY ATTORNEY'S OFFICE**

**SUBJECT: REQUEST TO SET A PUBLIC HEARING: TO ESTABLISH FEES FOR THE CITY'S ADMINISTRATIVE CITATION PROGRAM**
**[Tuesday, May 26, 2015 @ 5:50 p.m.]**

**SUMMARY:**

The City Council will consider a request to schedule a public hearing on **Tuesday, May 26, 2015 at 5:50 p.m.,** to establish fees for the City of Compton's Administrative Citation program.

**BACKGROUND:**

The City of Compton has established its own Administrative Citation Program which permits the City, in addition to other legal remedies available to the City, to issue administrative fines and penalties for any violation of City codes, ordinances, resolutions, mandates, regulations, rules or other laws adopted by the City. Pursuant to Section 1-7.1 of the Compton Municipal Code (CMC), every violation of a provision of the Municipal Code, the penalty for which is defined as an *infraction* or *misdemeanor*, shall be subject to an administrative fine and/or penalty. Currently, the City issues administrative fines based on the amount set forth for infractions as defined in Section 1-6.3 of the Municipal Code.

**STATEMENT OF THE ISSUE**:

Pursuant to Section 1-7.5 of the Compton Municipal Code (CMC), the City is authorized to established, by resolution, fines or penalties for violations of its Municipal Code. The City's establishment of fines for its Administrative Citation Program will increase the Program's effectiveness by creating a financial deterrent for those individuals who violate any provision of the City's Municipal Code. Staff will propose that the establishment of fines for City-issued administrative citations will significantly improve the deterrence potential for the Program.

**RECOMMENDATION:**

Staff recommends that the City Council schedule a public hearing on this matter for **Tuesday, May 26, 2015 at 5:50 p.m.**

**CRAIG J. CORNWELL**
**CITY ATTORNEY**

APRIL 28, 2015

TO: MAYOR AND COUNCIL MEMBERS

FROM: STEVE MASURA, DIRECTOR
COMMUNITY DEVELOPMENT

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON TO AFFIRM, AMEND OR REVERSE THE PLANNING COMMISSION'S DECISION TO DENY CONDITIONAL USE PERMIT CASE NO. 2750 - A REQUEST BY MUHAMMAD CHAUDHRY TO CONSTRUCT THREE (3) RESIDENTIAL DWELLING UNITS AT 716 EAST ROSECRANS AVENUE IN A LIMITED COMMERCIAL ZONE**

## SUMMARY

Council will consider an appeal of the Planning Commission's decision denying a request to construct three (3) residential dwelling units at 716 East Rosecrans Avenue in a Limited Commercial ("C-L") zone. Development of new residential dwelling units in the C-L zone requires approval of a Conditional Use Permit ("CUP") in accordance with Section 30-26 of the Compton Municipal Code ("CMC"). Within thirty (30) days, or sooner, the Council must render its decision on this appeal by affirming, amending, reversing or returning the decision of the Planning Commission.

## BACKGROUND

On February 11, 2015, the Planning Commission conducted a public hearing to consider the request of Muhammad Chaudry ("Applicant"/"Appellant") to construct three (3) residential dwelling units in a C-L one. The Planning and Economic Development Department ("PEDD") recommended approval of the CUP request. After concluding the hearing, the Planning Commission denied Conditional Use Permit Case No. 2750. The applicant has timely appealed denial of the request to the City Council.

## STATEMENT OF THE ISSUE

This subject site is located on south side of Rosecrans Avenue between Santa Fe Avenue and Chester Avenue. The subject property is a 7,977.55 square foot (.18 acre) rectangular shaped parcel of land. The subject site is currently vacant.

The applicant is proposing to develop the vacant commercial lot with three (3) residential dwelling units with three (3) two-car garages. The front structure is a 2,690 square foot, 2-story duplex with an attached 2-car garage. The rear structure is a 1,855 square foot, 2-story single family unit with an attached 2-car garage. The last structure is a 400 square foot, single-story detached 2- car garage. The table below provides a breakdown for each unit:

| Unit No. | Unit Size | Bedroom/Bath Count | Open Space Type | Parking |
|---|---|---|---|---|
| 1 | 1,345 sq. ft | 3 bedroom/3 bath | Fenced Area | 2-Car Garage |
| 2 | 1,345 sq. ft. | 3 bedroom/3 bath | Balcony | 2-Car Garage |
| 3 | 1,855 sq. ft. | 4 bedroom/3 bath | Fenced Area & Balcony | 2-Car Garage |

As required by Code, the applicant has provided each unit with a minimum of 100 square feet of private open space. An ADA compliant guest parking stall has also been provided.

With the exception of the front yard fence, the remainder of the property will be fenced in with a 6-8 foot high masonry block wall. The 8 foot high masonry block wall will be provided along the westerly property line adjacent to the Shell gas station. The front yard will be enclosed with a 6' high wrought iron fence with decorative columns. A mailbox kiosk will be provided by the pedestrian entrance gate.

The General Plan land use designation for the subject site is Mixed Use ("MU"), which has a density of 8.1-17 dwelling units/acre. Three (3) dwelling units is the maximum allowed based on the lot size of 7,977.55 square feet.

The appeal to City Council was submitted to the City Clerk within 14 days of Planning Commission's decision as mandated by 30-26.5(i) of the CMC. The ground for appeal presented by appellant is that the proposed use (residential project) is the only feasible use for the site.

Pursuant to Section 30-26.5(j) of the CMC, City Council public hearing notices were mailed to the applicant/appellant and all persons who appeared before the Planning Commission in connection to this item.

## FINANCIAL IMPACT

None.

## RECOMMENDATION

Staff makes no recommendation regarding this appeal. Pursuant to Section 30-26.5(k) of the Compton Municipal Code, the City Council shall render its decision on the appeal within thirty (30) days after conclusion of the appeal hearing and has the power to:

1. Affirm the decision of the Planning Commission; or
2. Amend the decision of the Planning Commission; or
3. Reverse the decision of the Planning Commission; or

4. If in the opinion of the Council, the matter requires further consideration, refer the matter back to the Planning Commission for further consideration (without a decision by the Council) with any recommendations the Council may desire.

Staff has attached two (2) resolutions that address options 1 and 3, above. If needed, based on the Council's decision, staff can bring back a resolution(s) which addresses options 2 or 4, above.

**STEVE MASURA, DIRECTOR**
**COMMUNITY DEVELOPMENT**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**Attachments:**

PC Staff Report
PC Resolution
City Council Resolution (Upholding PC Decision to Deny)
City Council Resolution (Reversing PC Decision to Deny)

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AFFIRMING THE DECISION OF THE PLANNING COMMISSION DENYING CONDITIONAL USE PERMIT CASE NO. 2750 - A REQUEST BY MUHAMMAD CHAUDHRY TO CONSTRUCT THREE (3) RESIDENTIAL DWELLING UNITS AT 716 EAST ROSECRANS AVENUE IN A LIMITED COMMERCIAL ZONE.**

**WHEREAS**, on February 11, 2015, the Planning Commission conducted a noticed public hearing, as provided by law, on the request of Muhammad Chaudhry ("Applicant"/"Appellant") to construct three (3) residential dwelling units at 716 East Rosecrans Avenue in a Limited Commercial ("C-L") zone; and

**WHEREAS,** after hearing testimony from the Applicant and other interested persons and reviewing documentary evidence submitted, the vote of the Planning Commission was to deny the application; and

**WHEREAS**, the Applicant has timely filed an appeal of the denial to the City Council, and after due notice, said City Council held and concluded a public hearing thereon on April 28, 2015; and

**WHEREAS**, the City Council has received testimony and reviewed documentary evidence, is fully advised of the premises at issue, and the matter that has been submitted for decision.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVES:**

**Section 1.** That the findings and action of the Planning Commission in its Resolution No. 3950 are hereby upheld and affirmed, and that the appeal relative to the application to construct three (3) residential dwelling units at 716 East Rosecrans Avenue in a Limited Commercial ("C-L") zone, shall be denied subject to findings in Planning Commission Resolution No. 3950.

**Section 2.** That a copy of this Resolution shall be mailed to the Applicant/Appellant and copies filed with the City Manager, City Clerk, Planning and Economic Development, Building and Safety, Fire and Public Works/Municipal Utilities Departments.

**Section 3.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

# #15.



I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**
**ABSTAIN: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON REVERSING THE DECISION OF THE PLANNING COMMISSION DENYING CONDITIONAL USE PERMIT CASE NO. 2750 - A REQUEST BY MUHAMMAD CHAUDHRY TO CONSTRUCT THREE (3) RESIDENTIAL DWELLING UNITS AT 716 EAST ROSECRANS AVENUE IN A LIMITED COMMERCIAL ZONE**

**WHEREAS**, on February 11, 2015, the Planning Commission conducted a noticed public hearing, as provided by law, on the request of Muhammad Chaudhry to construct three (3) residential dwelling units in a Limited Commercial (C-L) zone located at 716 E. Rosecrans Ave. in Compton; and

**WHEREAS,** after hearing testimony from the Applicant and other interested persons and reviewing documentary evidence submitted, the vote of the Planning Commission was to deny the application; and

**WHEREAS**, the Applicant has timely filed an appeal of the denial to the City Council, and after due notice, said City Council held and concluded a public hearing thereon on April 28, 2015; and

**WHEREAS**, the City Council has received testimony and reviewed documentary evidence, is fully advised of the premises at issue, and the matter that has been submitted for decision.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVES:**

**Section 1.** That the findings and action of the Planning Commission in its Resolution No. 3950 are hereby reversed, and approval of a Conditional Use Permit for the construction of three (3) residential dwelling units at 716 East Rosecrans Avenue in a Limited Commercial ("C-L") zone is granted.

**Section 2.** That the findings for Conditional Use Permit Case No. 2750 shall read as follows:

1. That the proposed use is in compliance with the Zoning Ordinance.

2. That the proposed use will not be detrimental to the public welfare or to the surrounding area.

3. That the proposed use is in conformance with the General Plan.

**Section 3.** That approval of Conditional Use Permit Case No. 2750 is subject to the following conditions:

1. That each unit shall be provided its own water, gas and electrical meters and service.

2. That the installation of utility meters shall be limited to the east side of the buildings.

3. That the developer shall incorporate sound attenuating building materials (i.e. insulation, laminated or double pane windows, doors, finishes, etc.) into all residential units to reduce the interior ambient noise to no greater than 45 dba. Developer shall submit proof at plan-check that the interior sound level will not exceed 45 dba.

4. That an eight foot high masonry block wall shall be constructed along the westerly side yard property line, measured from the elevation of the higher finished grade.

**5.** That the developer shall install an automatic gate opener for the vehicular gate.

**6.** The developer shall ensure that new lighting fixtures shall implement motion detection technology to minimize the time the lighting is on.

**7.** That precise landscape and irrigation plans shall be submitted for review and approval to the Planning & Economic Development Department at time of building plan-check.

8. That required site improvements, if any, including but not limited to the following: landscaping and irrigation shall be subject to design review and approval by the Planning & Economic Development Department (PEDD).

9. That a copy of these conditions of approval shall be attached to the plan-check set of plans submitted to the Building Department for plan check as a detail sheet.

10. That the applicant or property owner shall be responsible for maintenance of the property in accordance with all applicable local ordinances.

**11.** That all building pad elevations shall be above the flood level per current LA County Flood Control District's requirements. Submit Hydrology/hydraulics analysis in compliance with L.A.C.F.C.D.'s requirements for review and approval by the City.

**12.** The proposed development shall comply with all applicable state or federal laws and regulations including but not limited to National Pollutant Discharge Elimination System (NPDES, LID, SWPPP, SUSMP, etc.) requirements.

13. If required by the Fire Department, a California licensed Professional Engineer must prepare a water pressure analysis for the project and shall be submitted for review and approval by the City Public Works/Municipal Utilities Department.

14. Prior to operation, the applicant shall implement all Fire Department requirements, which may include, but are not limited to, emergency access, parking prohibitions, sprinklers, onsite fire hydrants, fire escapes, fire alarms etc.

15. All fire protection requirements must comply with the 2013 California Fire Code and National Fire Protection Association (NFPA) standards.

16. That all emergency and fire access points and fire lanes shall be maintained free of obstructions at all times.

17. All entry gates shall also be equipped with Knox boxes or Knox key switches for power-activated gates, as approved by the Fire Department.

18. That the applicant, property manager, or other responsible party shall be required to implement graffiti removal within 3 days of notification by the City.

19. That the interior and exterior of the property shall be maintained free of trash and debris, and that suitable trash bins shall be maintained on site throughout the construction period.

20. That the property shall be developed substantially in accordance with the staff report and plot plan on file for Conditional Use Permit Case No. 2750, unless otherwise modified by the Planning & Economic Development Department.

21. That construction and property development shall comply with all applicable Federal, State, County, Local agencies, including but not limited to requirements of the Compton Municipal Code, Public Works & Municipal Utilities, Fire, and Building & Safety and Planning & Economic Development Departments.

22. That construction shall commence no later than 12 months of approval for Conditional Use Permit Case No. 2750.

23. That failure, at any time, to exercise this approval for 24 consecutive months subsequent to the date of approval shall render this Resolution automatically null and void without benefit of a public hearing or notice of action.

**Section 4.** That the Applicant/Appellant shall record with the Recorder of Los Angeles County an Acceptance Form in accordance with the requirements of Section 30-26.5 of the Compton Municipal Code.

**Section 5.** That a copy of this Resolution shall be mailed to the Applicant/Appellant and copies filed with the City Manager, City Clerk, Planning and Economic Development, Building and Safety, Fire and Public Works/Municipal Utilities Departments.

**Section 6.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

# #15.



I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**
**ABSTAIN: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

# RESOLUTION NO. 3950

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COMPTON DENYING CONDITIONAL USE PERMIT CASE NO. 2750, A REQUEST TO CONSTRUCT THREE (3) RESIDENTIAL DWELLING UNITS IN A LIMITED COMMERCIAL (C-L) ZONE LOCATED AT 716 E. ROSECRANS AVE. IN COMPTON**

**WHEREAS, Muhammad Chaudhry** has made application for a conditional use permit in accordance with Sections 30-26 of the Compton Municipal Code (C.M.C.), situated on a certain real property located at **716 E. Rosecrans Ave. (APN: 6178-003-044)** in Compton, California; and

**WHEREAS**, Section 30-12 of the Compton Municipal Code (C.M.C.) requires that multi-family residences in the C-L zone obtain a conditional use permit in accordance with 30-26 C.M.C.; and

**WHEREAS,** a public hearing upon said request for the conditional use permit was held before the Planning Commission on **February 11, 2015**; and

**WHEREAS,** public hearing notices were sent to both owners and occupants located within 500 feet of the subject property; and

**WHEREAS,** evidence was heard from all persons interested in effecting said conditional use permit and all persons protesting same, and the Planning Commission being fully informed,

## FINDS

A. That the proposed development of a three unit residential dwelling complex in the Limited Commercial zone would be detrimental to the public welfare or surrounding area in that the subject site does not provide adequate over flow off-street parking to safety accommodate tenants and guest on a property located on a major arterial with no street parking.

B. That the proposed development of a three unit residential dwelling complex in the Limited Commercial zone is not compatible with the existing patterns of land use and development in the surrounding area, in that the subject site commercially zoned and is located along a major arterial and therefore better suited for non-residential development.

**NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF COMPTON RESOLVES:**

1. That the request for a conditional use permit to construct three (3) residential dwelling units in a Limited Commercial (C-L) zone located at 716 E. Rosecrans Ave. in Compton is denied.

2. That a copy of this Resolution shall be mailed to the applicant and filed with the City Clerk.

**ADOPTED** this 11th day of February, 2015.

**JUANITA GREEN-WRIGHT, CHAIRPERSON**

**STEVEN MASURA, DIRECTOR**

**COMMUNITY DEVELOPMENT DEPARTMENT**

Planning & Economic Development Department - Planning Division
205 S. Willowbrook Ave., Compton, CA 90220 (310) 605-5532 Fax: (310) 761-1488 www.comptoncity.org

# PLANNING DEPARTMENT STAFF REPORT

| | |
|---|---|
| **CASE NO.** | **CONDITIONAL USE PERMIT CASE NO. 2750** |
| **LOCATION** | **716 E. ROSECRANS AVE.**<br>**APN: 6178-003-044** |
| **REQUEST** | **TO CONSTRUCT A 3 UNIT RESIDENTIAL DEVELOPMENT IN A LIMITED COMMERCIAL ZONE** |
| **HEARING DATE** | **FEBRUARY 11, 2015** |

**Applicant:**
Muhammad Chaudhry
26946 Fond Du Lac Rd.
Rancho Palos Verdes, CA 90275

**Representative:**
Navid Ali
9854 National Blvd., #144
Los Angeles, CA 90034

## BACKGROUND INFORMATION

*Requested Action*

Muhammad Chaudhry is requesting approval of Conditional Use Permit (C.U.P.) Case No. 2750, a request to construct three residential dwelling units and three two-car garages on a vacant property located at 716 E. Rosecrans Ave., Compton in the Limited Commercial (C-L) zone. Development of new residential dwelling units in the Limited Commercial zone requires approval of a conditional use permit in accordance with Section 30-26 of the Compton Municipal Code (C.M.C.).

*Location*

This subject site is located on south side of Rosecrans Avenue between Santa Fe Ave. and Chester Ave.
The subject property is a 7,977.55 square foot (.18 acre) rectangular shaped parcel of land. The subject site is currently vacant.

*Zoning and Land Use*

| SUMMARY | Project Site | North | South | East | West |
|---|---|---|---|---|---|
| General Plan | Mixed Use (MU) | Mixed Use (MU) | Low Density Residential (LDR) | Mixed Use (MU) | Mixed Use (MU) |
| Zoning | Limited Commercial (C-L) | Limited Commercial (C-L) | Parking/High Density Residential (P-R-H) | Limited Commercial (C-L) | Limited Commercial (C-L) |
| Existing Land Use | Vacant Land | Fast Food, Medical Offices/Commercial | Single and Multi-Family Residential Homes | Multi-Family Residential/Church | Shell Gas Station |

*Environmental Determination*

The project is Categorically Exempt in accordance with Section 15303 of the State CEQA Guidelines (Class 3 – New Construction or Conversion of Small Structures). The scope of this project falls within the parameters set for a Class 3 exemption which allows for up to 6 residential dwelling units in an urbanized setting where all necessary public services and utilities are readily available.

**PROJECT DESCRIPTION**

The applicant is proposing to develop the vacant commercial lot with three residential dwelling units with three two-car garages. The front structure is proposed to be a 2,690 square foot, 2-story duplex with an attached 2-car garage. The rear structure is a 1,855 square foot, 2-story single family unit with an attached 2-car garage. The last structure is a 400 square foot, single-story detached 2- car garage.
The table below provides a breakdown for each unit:

| Unit No. | Unit Size | Bedroom/Bath Count | Open Space Type | Parking |
|---|---|---|---|---|
| 1 | 1,355 sq. ft | 3 bedroom/3 bath | Fenced Area | 2-Car Garage |
| 2 | 1,355 sq. ft. | 3 bedroom/3 bath | Balcony | 2-Car Garage |
| 3 | 1,855 sq. ft. | 4 bedroom/3 bath | Fenced Area & Balcony | 2-Car Garage |

As required by Code, the applicant has provided each unity with a minimum of 100 square feet of private open space. An ADA compliant guest parking stall has also been provided.

With the exception of the front yard fence, the remainder of the property will be fenced in with a 6-8 foot high masonry block wall. The 8 foot high masonry block wall will be provided along the westerly property line adjacent to the Shell gas station. The front yard will be enclosed with a 6' high wrought iron fence with decorative columns. A mailbox kiosk will be provided by the pedestrian entrance gate.

**ANALYSIS**

By Code, the construction of new residential dwelling units in a Limited Commercial (CL) zone requires approval of a Conditional Use Permit (CUP). The CUP process gives the city an opportunity to thoroughly evaluate each proposal, evaluate compatibility with the surrounding and manage/control potential negative impacts to the surrounding areas or the project by the imposing conditions of approval on the project.

The development, as proposed, fully complies with all zoning development standards. The table below provides a breakdown of the City's zoning code requirements and those provided by the proposed project.

| DEVELOPMENT STANDARD | CODE REQUIREMENT | PROPOSED |
|---|---|---|
| Building Setbacks | • Front (Rosecrans Ave.): 15' min.<br>• Interior Side : 5' min. (habitable) / 0' (non-habitable)<br>• Rear (South): 10' min. (habitable) / 0' (non-habitable) | • 15'<br>• 5'(East)/20'(West)<br>0' (Detached Garage)<br>• 10'(South)<br>3' (Detached Garage) |

| | | |
|---|---|---|
| Building Height | 35 Ft. max. | 22'6" @ highest point |
| Lot Coverage | N/A | ~39% |
| Landscaping | • Front Yard (excluding driveway & walkways) – 950 sq. ft. min.<br>• 2 Street Trees min. | • Front/side/rear yard 2,197 sq. ft. (36%)<br>• 3 Street Trees |
| Parking | • 2-Car Garage/Unit<br>• 1 uncovered ADA-Compliant Guest Parking Space | • 2-Car Garage/Unit<br>• 1 uncovered ADA-Compliant Guest Parking Space |
| Private Open Space | 100 sq. ft. /unit | • Unit 1: 100 sq. ft. (Fence Area)<br>• Unit 2: 100 sq. ft. (Balcony)<br>• Unit 3: 176 sq. ft. (Fenced Area & Balcony) |

The development has a California-cottage style design comprised of smooth stucco finish with exposed rafter details, wood trimmed windows, light concrete shingles, cottage style windows and garage doors, stone veneer wainscot, hip and gable roof designs.

Although staff would prefer to see commercial development on commercially zoned lots, this particular lot has physical constraints that would make it difficult to develop. The Limited Commercial zone requires a minimum lot width 70 feet and the minimum lot size of 10,000 square feet; which by default would require a lot depth of 143 feet minimum. At only 90 feet deep, the lot is considered shallow and the lot is only 7,977.55 square feet in size. Additionally, the building envelope, for the subject site, is further minimized by the additional building setback requirements triggered when building commercial developments adjacent to residential uses. Instead of having 0' side & rear yard setbacks, developments adjacent to residential requires 10 foot setbacks from both the rear and the side property line.

The next best highest use for the subject site would be multi-family residential developments. A multi-family residential development could be compatible with adjacent uses with the implementation of the conditions of approval. Adjacent uses to the east of the subject site, is multi-family residential units and single–family dwelling units to the south. The General Plan land use designation for the subject site is Mixed Use (MU), which has a density of 8.1-17 dwelling units/acre; three dwelling units is the maximum allowed based on the lot size of 7,977.55 square feet.

Staff supports the project as proposed with the incorporation of the conditions of approval. The project as proposed, fully complies with all development standards. Additionally, the applicant has greatly enhanced the overall design and upgraded the exterior building materials, at the request of the Planning staff. Although the development is along a major thoroughfare the development has been designed with a court-yard like concept to provide additional privacy to its tenants. An 8' high block wall with vines/hedges will be provided along the westerly property line to provide additional screening and privacy from the adjacent Shell gas station. The applicant is also providing more on-site landscaping required by Code.

**NOTICING**

This case was properly noticed in accordance with Section 30-26 of Compton Municipal Code. Notices were mailed to both the property owners and occupants located within a 500-foot radius on January 28, 2015. As of February 5, 2015, staff has not received any calls or correspondence either for or against the project.

**RECOMMENDATION**

Staff recommends that the Planning Commission approve Conditional Use Permit Case No. 2750 subject to the findings contained in the staff report.

**FINDINGS FOR APPROVAL OF CONDITIONAL USE PERMIT CASE NO. 2750:**

A. That the proposed development of a three unit residential dwelling complex in the Limited Commercial zone is substantial in compliance with Chapter 30 of the Compton Municipal Code with the implementation of conditions of approval.

B. That the proposed development of a three unit residential dwelling complex in the Limited Commercial zone will add to the neighborhood stability and enhance the overall beautification of the area in the long term with the implementation of conditions of approval.

C. That the proposed development of a three unit residential dwelling complex in the Limited Commercial zone will not be detrimental to the public welfare or surrounding area with the implementation of the conditions of approval.

D. That the proposed development of a three unit residential dwelling complex in the Limited Commercial zone is in substantial in conformance with the General Plan and compatible with the existing patterns of land use and development in the surrounding area with the implementation of the conditions of approval.

**CONDITIONS OF APPROVAL OF CONDITIONAL USE PERMIT CASE NO. 2750:**

Project Specific Conditions:

1. That each unit shall be provided its own water, gas and electrical meters and service.

2. That the installation of utility meters shall be limited to the east side of the buildings.

3. That the developer shall incorporate sound attenuating building materials (i.e. insulation, laminated or double pane windows, doors, finishes, etc.) into all residential units to reduce the interior ambient noise to no greater than 45 dba. Developer shall submit proof at plan-check that the interior sound level will not exceed 45 dba.

4. That an eight foot high masonry block wall shall be constructed along the westerly side yard property line, measured from the elevation of the higher finished grade.

5. That the developer shall install an automatic gate opener for the vehicular gate.

6. The developer shall ensure that new lighting fixtures shall implement motion detection technology to minimize the time the lighting is on.

7. That precise landscape and irrigation plans shall be submitted for review and approval to the Planning & Economic Development Department at time of building plan-check.

Standard Conditions:

8. That required site improvements, if any, including but not limited to the following: landscaping and irrigation shall be subject to design review and approval by the Planning & Economic Development Department (PEDD).

9. That a copy of these conditions of approval shall be attached to the plan-check set of plans submitted to the Building Department for plan check as a detail sheet.

10. That the applicant or property owner shall be responsible for maintenance of the property in accordance with all applicable local ordinances.

11. That all building pad elevations shall be above the flood level per current LA County Flood Control District's requirements. Submit Hydrology/hydraulics analysis in compliance with L.A.C.F.C.D.'s requirements for review and approval by the City.

12. The proposed development shall comply with all applicable state or federal laws and regulations including but not limited to National Pollutant Discharge Elimination System (NPDES, LID, SWPPP, SUSMP, etc.) requirements.

13. If required by the Fire Department, a California licensed Professional Engineer must prepare a water pressure analysis for the project and shall be submitted for review and approval by the City Public Works/Municipal Utilities Department.

14. Prior to operation, the applicant shall implement all Fire Department requirements, which may include, but are not limited to, emergency access, parking prohibitions, sprinklers, onsite fire hydrants, fire escapes, fire alarms etc.

15. All fire protection requirements must comply with the 2013 California Fire Code and National Fire Protection Association (NFPA) standards.

16. That all emergency and fire access points and fire lanes shall be maintained free of obstructions at all times.

17. All entry gates shall also be equipped with Knox boxes or Knox key switches for power-activated gates, as approved by the Fire Department.

18. That the applicant, property manager, or other responsible party shall be required to implement graffiti removal within 3 days of notification by the City.

19. That the interior and exterior of the property shall be maintained free of trash and debris, and that suitable trash bins shall be maintained on site throughout the construction period.

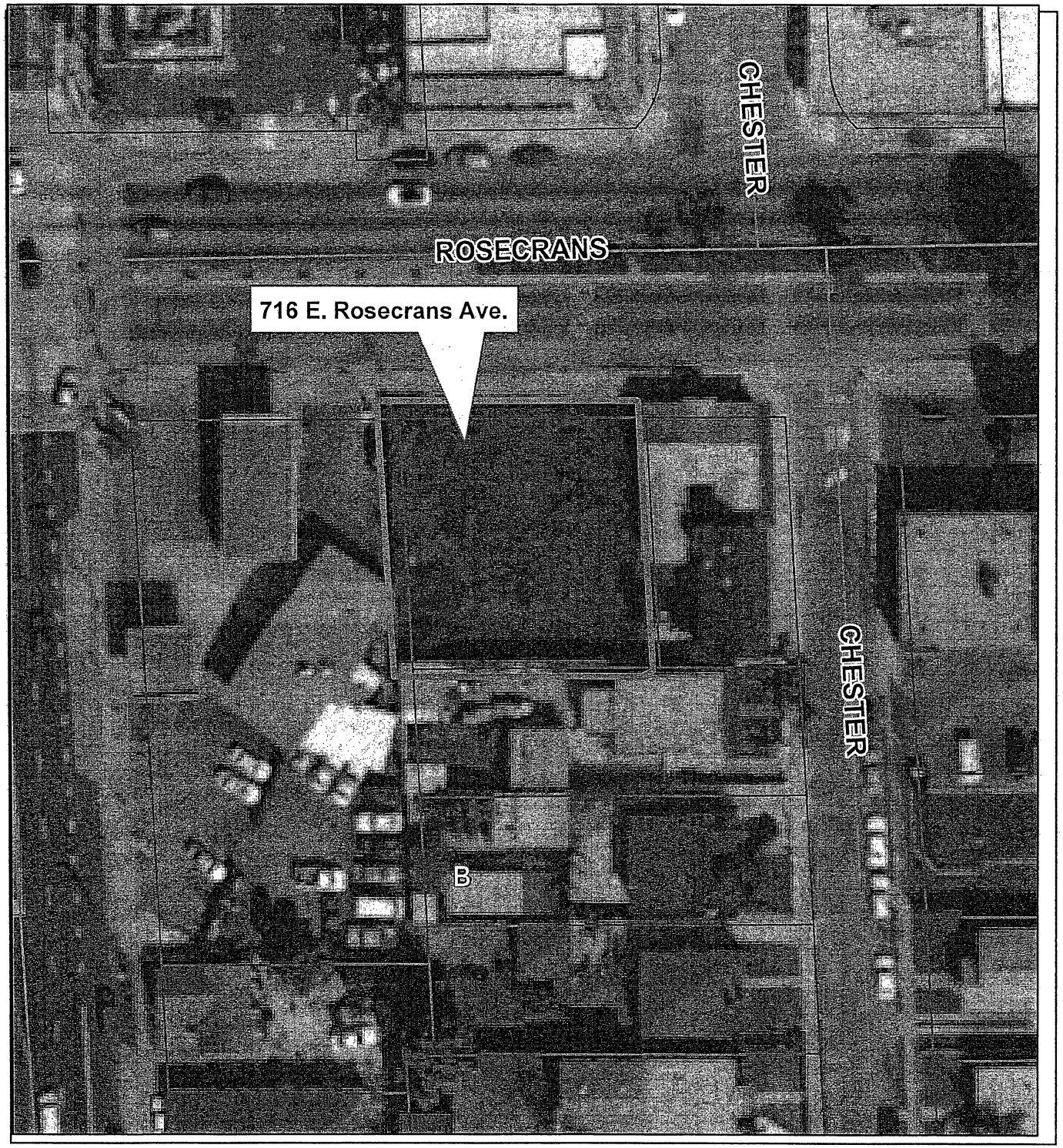
20. That the property shall be developed substantially in accordance with the staff report and plot plan on file for Conditional Use Permit Case No. 2750, unless otherwise modified by the Planning & Economic Development Department.

21. That construction and property development shall comply with all applicable Federal, State, County, Local agencies, including but not limited to requirements of the Compton Municipal Code, Public Works & Municipal Utilities, Fire, and Building & Safety and Planning & Economic Development Departments.

22. That construction shall commence no later than 12 months of approval for Conditional Use Permit Case No. 2750.

23. That failure, at any time, to exercise this approval for 24 consecutive months subsequent to the date of approval shall render this Resolution automatically null and void without benefit of a public hearing or notice of action.

**Exhibits**
Aerial Map
General Plan Map
Zoning Map
Site Photos
Applicant's Project Description (2 pgs.)
Project Plans (7 pgs.)
CAT Exempt Letter




# CITY OF COMPTON

## AERIAL MAP

Conditional Use Permit Case No. 2750
716 E..Rosecrans Ave.
APN: 6178-003-044

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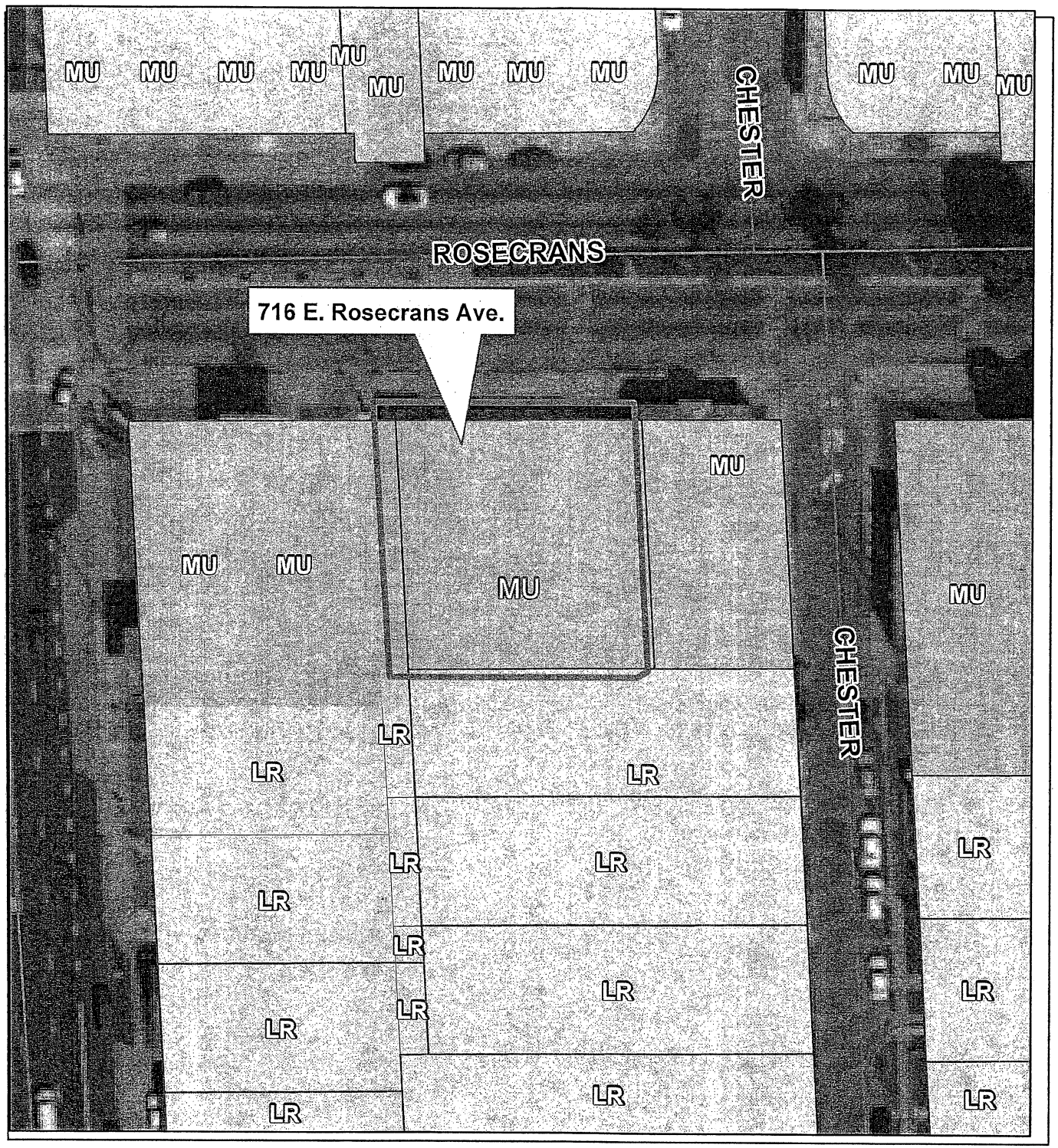
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# CITY OF COMPTON

## GENERAL PLAN MAP

Conditional Use Permit Case No. 2750
716 E..Rosecrans Ave.
APN: 6178-003-044



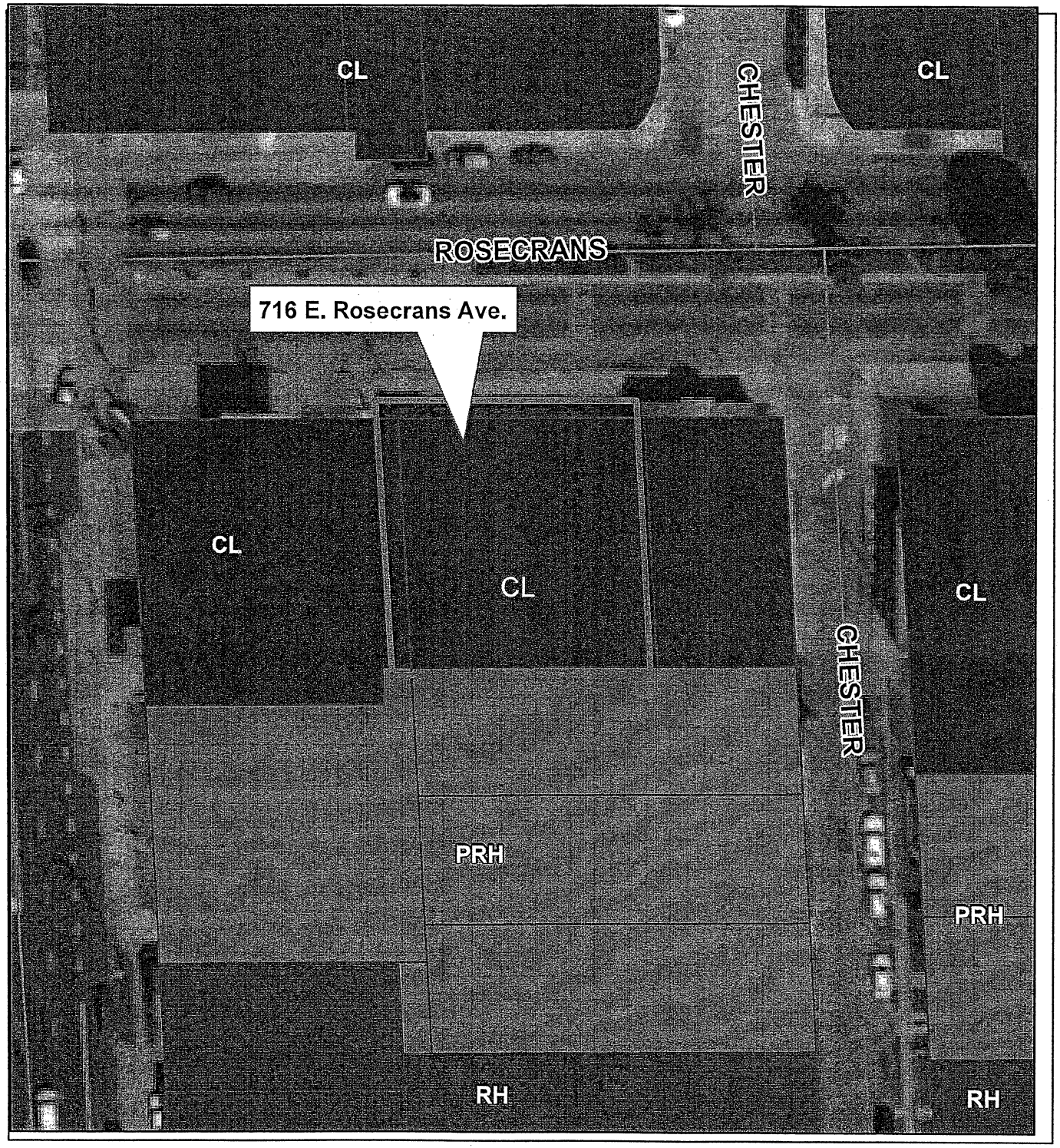

### Legend

- Low Density Residential <8.0 du/ac
- Medium Density Residential 8.1-17.0 du/ac
- High Density Residential 17.1-34.0 du/ac
- General Commercial
- Mixed Use
- Industrial
- Open Space/Parks
- Public/Quasi-Public
- Transportation

N

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# CITY OF COMPTON

## ZONING MAP

Conditional Use Permit Case No. 2750
716 E..Rosecrans Ave.
APN: 6178-003-044

**Legend**

- RA - Residential Agriculture
- RL - Low Density Residential
- RM - Medium Density Residential
- RH - High Density Residential
- P - Parking
- PRL - Parking/Low Density Residential
- PRM - Parking/Medium Density Residential
- PRH - Parking/High Density Residential
- CL - Limited Commercial
- CM - Commercial Manufacturing
- ML - Limited Manufacturing
- MH - Heavy Manufacturing
- B - Buffer
- LAC - Los Angeles County
- UNZONED

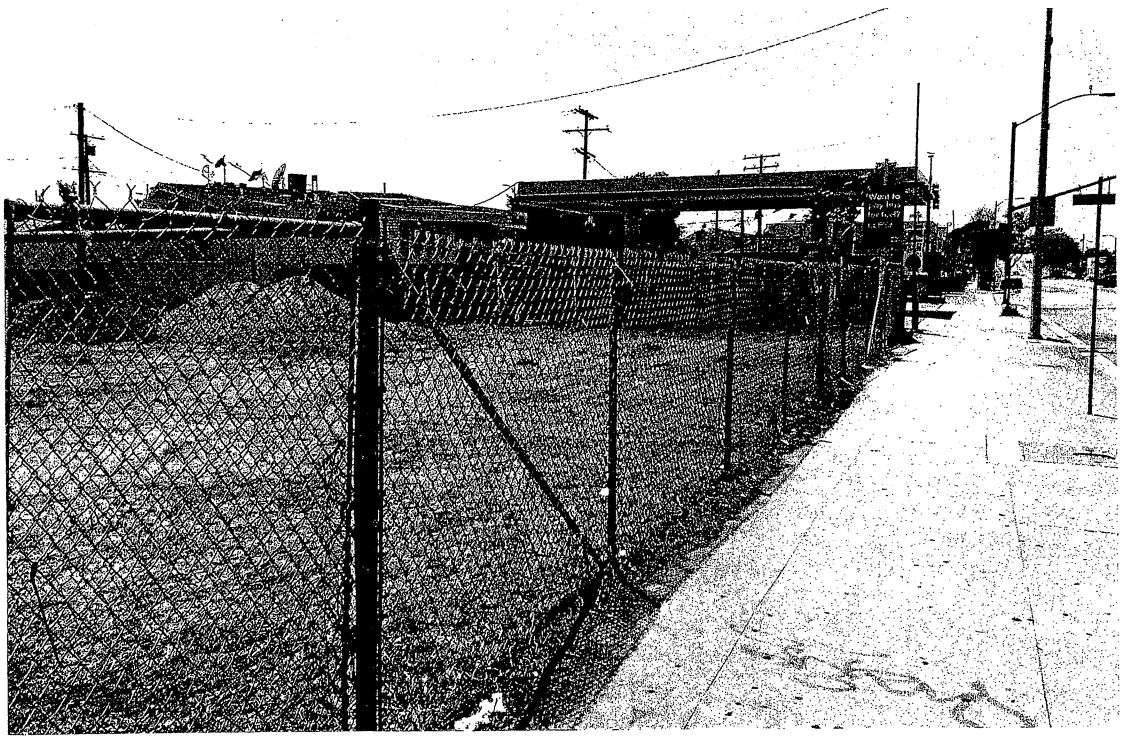
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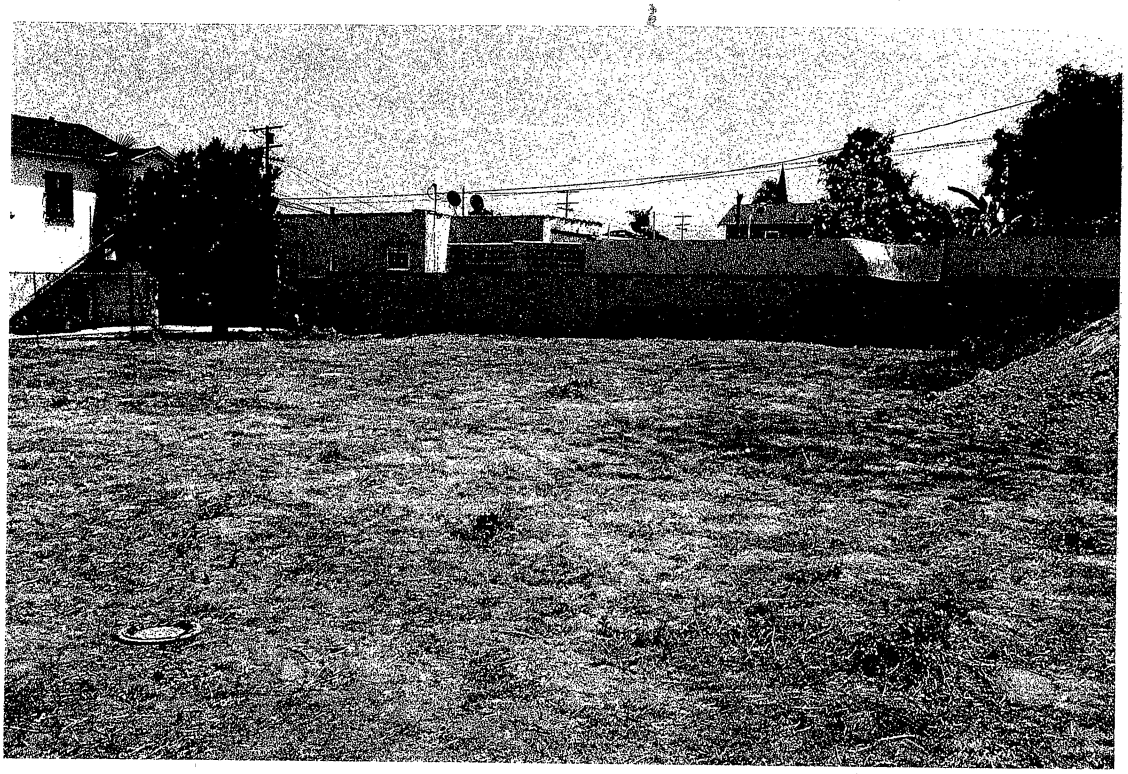
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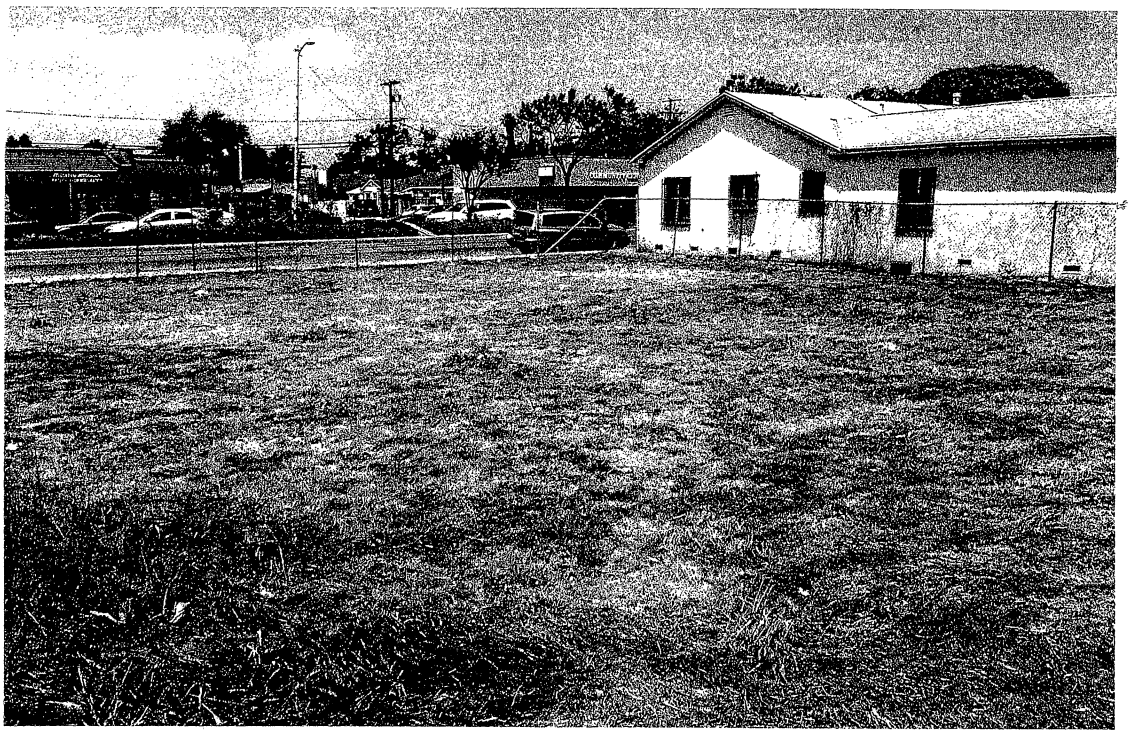
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## 716 E. ROSECRANS PROPOSED TRIPLEX PROJECT DESCRIPTION

The vacant lot (APN 6178-003-044) under review is currently designated for commercial uses. We the developer making the request for CUP are planning to build three residential units with modern designs. The developer has made provisions of open spaces for all the tenants in the site plans. This project is simple in nature and complies with all the parking and setback requirements. The project would also contain plenty of green areas and trees. We implore you at the Compton City Planning Department to support this request for the following reasons.

First, there is disproportionate saturation of commercial properties on these few blocks of Rosecrans Ave. This development would provide much needed rental housing in the area. This development would provide easy access for its tenants to mass transit to get to their jobs, schools and shopping centers. Which in fact would fulfil Planning Department's objective of supporting existing employers and attracting new employers.

Second, this lot along with a host of other vacant commercial lots on Rosecrans Ave are tagged with graffiti for past several decades, awaiting development. This development would create a clean environment that would meet another city objective of reduction of crime and illegal drug activity in the community.

Third, this lot is currently surrounded by a number of single family residences, duplexes, and apartment buildings. The proposed triplex would tie in seamlessly to already existing neighborhood. It would fulfill the Planning Departments objective of creating a community image that expresses an aesthetically pleasing and clean community. The proposed triplex development would add immediate beautification to the block and be a welcome relief for the neighbors. It would certainly meet the city's goal of enhancing attractiveness, desirability, and marketability of the project area; and create an atmosphere of opportunity and good will.

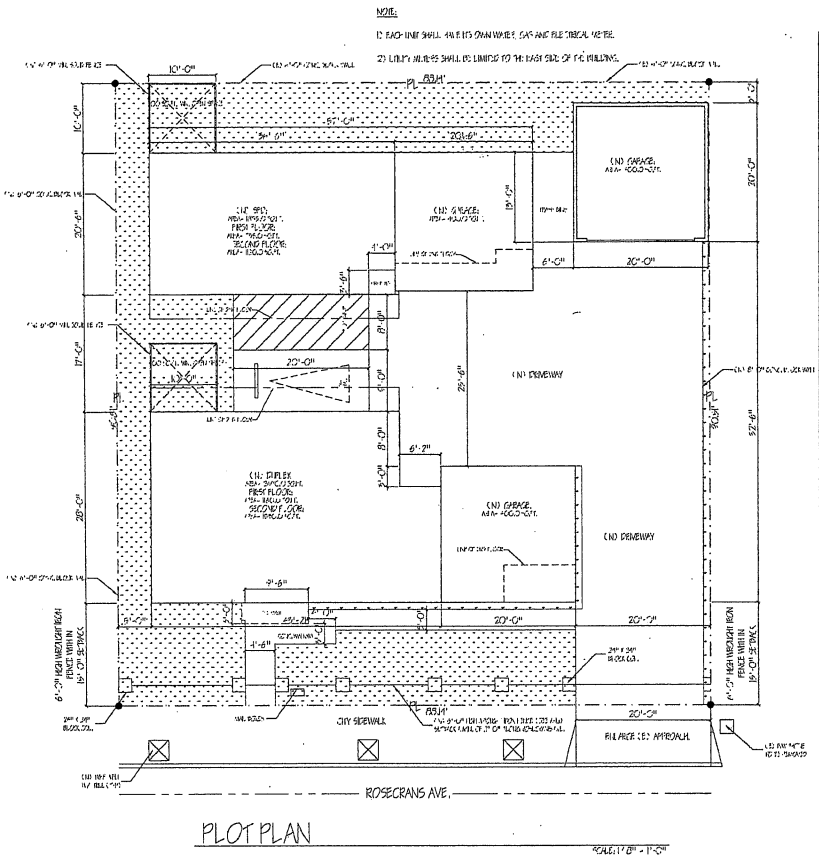
Fourth, Proposed use is very desirable in the neighborhood. With the proposed green areas and trees it would not only provide buffer to its tenants but also to the surrounding neighbors. This project would positively affect the neighborhood property values. With its safe family friendly design, it would enhance the quality of life for all its inhabitants and neighbors.

Fifth, The scale of this project is not extensive and is truly the highest and best use

of this space, not only for its developers but also for the city of Compton.

In the end we hope that we have sufficiently demonstrated that commercial development on this lot is not economically feasible at this time and lack of support for a CUP from the Planning Department would cause unnecessary hardship for the owner. In our opinion this project represents exceptional circumstances and should be permitted a conditional use permit. Granting a CUP will be great for the public welfare and serve as a pleasant improvement in the area. Please we ask that you support the project for this property to be developed as a triplex.

#15.




PLOT PLAN

SCALE: 1/8" = 1'-0"

## LEGAL DESCRIPTION:

| | |
|---|---|
| A.P.N: | 6178-003-044 |
| TRACT: | TR 6468 |
| MAP REF: | M.B. 100-73-76 |
| BLOCK: | NONE |
| LOT: | 4 & 5 |

## SHEET INDEX:


| | | |
|---|---|---|
| A-1 | -- | PLOT PLAN |
| A-1a | -- | LANDSCAPE PLAN |
| A-2 | -- | FLOOR PLAN (FRONT) |
| A-3 | -- | ELEVATION PLAN (FRONT) |
| A-4 | -- | FLOOR PLAN (REAR) |
| A-5 | -- | ELEVATION PLAN (REAR) |
| A-6 | -- | GARAGE PLAN |


## PROJECT DATA:

ZONING: C-1
GENERAL PLAN: MIXED USE- 8.1 UP TO 17 du/ac;
OCUPANCY: R-3, U
NUMBER OF STORY(S): TWO
SPRINKLER SYSTEM: YES
CONSTRUCTION TYPE: TYPE V-B

| | | |
|---|---|---|
| TOTAL LOT AREA: | = | 7977.55 SQ.FT. |
| (N) DUPLEX (FRONT): | = | 2690.0 SQ.FT. |
| (N) FIRST FLOOR: | = | 1160.0 SQ.FT. |
| (N) SECOND FLOOR: | = | 1530.0 SQ.FT. |
| (N) GARAGE: | = | 400.0 SQ.FT. |
| (N) S.F.D. (REAR): | = | 1855.0 SQ.FT. |
| (N) FIRST FLOOR: | = | 735.0 SQ.FT. |
| (N) SECOND FLOOR: | = | 1120.0 SQ.FT. |
| (N) GARAGE: | = | 400.0 SQ.FT. |
| (N) DETACHED GARAGE: | = | 400.0 SQ.FT. |
| OPEN PARKING: | = | 1 STALLS |
| TOTAL FLOOR AREA: | = | 3095.0 SQ. FT. |
| LOT COVERAGE: | = | 38.79% |

FRONT DUPLEX: 6 BEDROOM/ 6 BATH
UNIT #1: 3 BEDROOM/ 3 BATH
UNIT #2 3 BEDROOM/ 3 BATH

REAR S.F.D: 4 BEDROOM/ 3 BATH

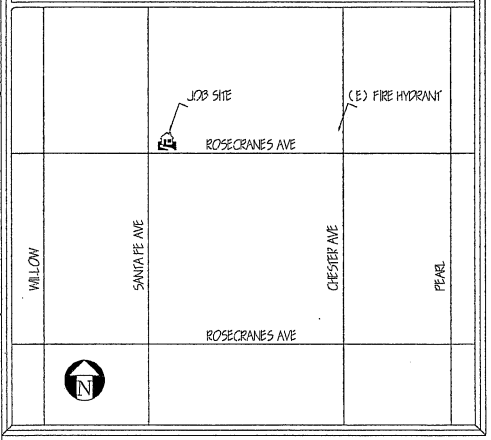
FRONT DUPLEX: AREA= 2690.0 SQ.FT.
UNIT #1: AREA= 1355.0 SQ.FT.
UNIT #2 AREA= 1335.0 SQ.FT.

REAR S.F.D: AREA= 1855.0 SQ.FT.

PARKING:
PARKING REQUIRED= 6 COVERED, 1 UNCOVERED
PARKING PROVIDED= 6 COVERED, 1 UNCOVERED

LANDSCAPE:
LANDSCAPE AREA= 2197.0 SQ.FT.
7977.55/ 2197.0 SQ.FT= 36.31%

## VICINITY MAP:




Exterior Light Fixture

All exterior lights would be LED Lights manufactured by Lights of America with a dusk to dawn feature.

Balcony Deck and Iron Rail Notes

For waterproofing of the Balcony Deck Elastolock by Daich Coatings would be used.

Specs for the Wrought Iron Rail.

Height of Rail

42" high railings.

Weight of Rail

approx. 10.3 lbs/ft

Posts

1½" x 1½" x 100 wall square tubing with a base plate and cap

Top Bar

1" x 2" x 100 wall rectangular tubing with joiners that slide inside to join the sections

Bottom Bar

1" x 1" x 100 wall square tubing is used for the bottom bar and stub legs, with joiners to join the sections

Joiners

Metal pieces that join the top & bottom bars of two rails, half of joiner in each rail, locked in place with tek screws

Base Plate

4" x 4" x ¼" square plates with four 3/8" holes

Intermediate Bars

½" x ½" solid square bars, Curved, Straight or Twisted. Welded in with a 4" opening between them

Spaces

There is a 4" space from the deck to the bottom bar and a 4" space between the intermediate bars.


Pacific Coast Design.

BY:
HUGO HERNANDEZ
11039 MANSEL AVE.
LENNOX, CA
90304
PHONE:( 323) 559-3691
PHONE:( 310) 429-6586

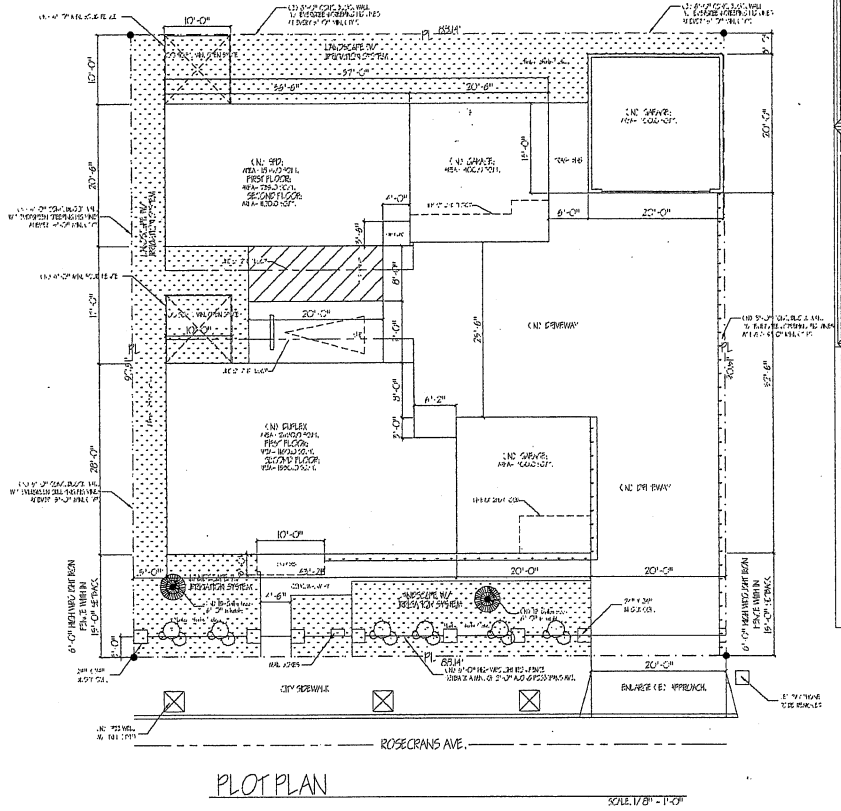

PROJECT:
PROPOSED NEW DUPLEX & SFD FOR
716 E. ROSECRANS AVE
COMPTON, CA
90221

OWNER:
MUHAMMAD A. CHAUDHRY
9854 NATIONAL BLVD
SUITE # 314
LOS ANGELES, CA
90034

BRANCH:

DRAWN BY: HERNANDEZ
DATE: JAN 14, 2018
SCALE: AS SHOWN
SHEET TITLE:
PLOT PLAN

SHEET NO.
A-1




PLOT PLAN

SCALE: 1/8" = 1'-0"

## LEGAL DESCRIPTION:

| | |
|---|---|
| A.P.N: | 6178-003-044 |
| TRACT: | TR 6468 |
| MAP REF: | M.B. 100-73-76 |
| BLOCK: | NONE |
| LOT: | 4 & 5 |

## SHEET INDEX:

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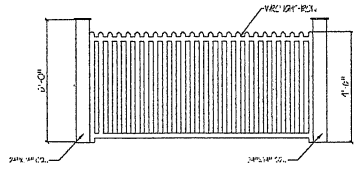
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UNIT #1: AREA= 1355.0 SQ.FT.
UNIT #2 AREA= 1335.0 SQ.FT.

REAR S.F.D: AREA= 1855.0 SQ.FT.



WROUGHT IRON GATE

NOTES:
- [illegible] SHALL REQUIRE A MINIMUM OF THREE GALLONS PER MINUTE PER SPRINKLER FOR ROOFS AND EXPOSURES OF ALL LANDSCAPE AREAS.
- LANDSCAPE IRRIGATION SHALL INCLUDE A CLOCK MECHANISM FOR THE ENTIRE.
- ALL LANDSCAPE AREAS SHALL HAVE RESIDENTIAL SYSTEM.

PARKING:
PARKING REQUIRED= 6 COVERED, 1 UNCOVERED
PARKING PROVIDED= 6 COVERED, 1 UNCOVERED

LANDSCAPE:
LANDSCAPE AREA= 2197.0 SQ.FT.
7977.55/ 2197.0 SQ.FT= 36.31%

NOTE.

1) EACH UNIT SHALL HAVE ITS OWN WATER, GAS AND ELECTRICAL METER.

2) UTILITY METERS SHALL BE LIMITED TO THE EAST SIDE OF THE BUILDING.

Pacific Coast Design.

BY:
HUGO HERNANDEZ
11039 MANSEL AVE.
LENNOX, CA
90304
PHONE:( 323) 559-3691
PHONE:( 310) 429-6386

PROJECT:
PROPOSED NEW
DUPLEX & SFD
FOR
716 E. ROSECRANS AVE
COMPTON, CA
90221

OWNER:
MUHAMMAD A. CHAUDHRY
9854 NATIONAL BLVD
SUITE # 314
LOS ANGELES, CA
90034

ENGINEER:

DRAWN BY: BECUNA
DATE: JAN. 19, 2014
SCALE: AS SHOWN
SHEET T.S.

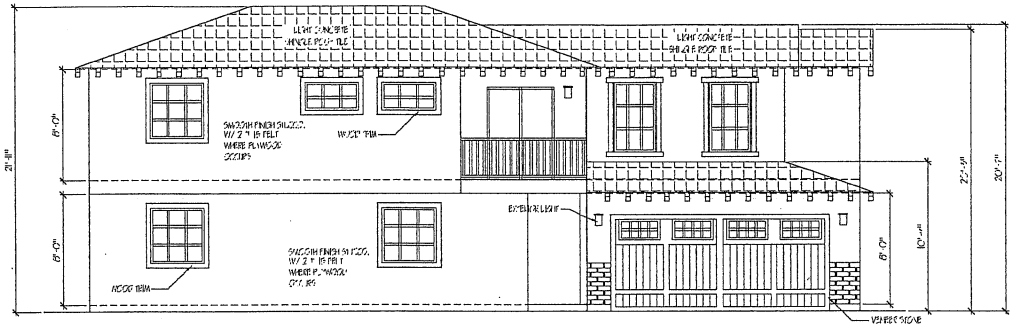
LANDSCAPE PLAN

SHEET NO.

A-1a

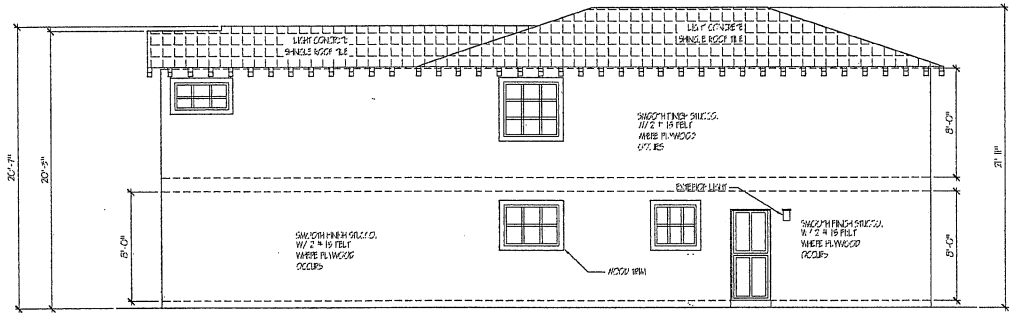
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#15.



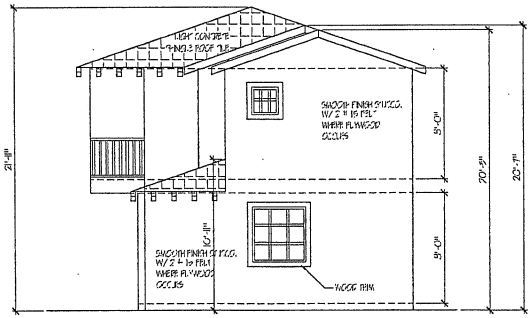

NORTH ELEVATION ( REAR)

SCALE: 1/4" = 1'-0"



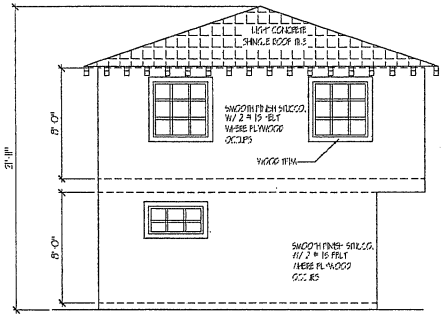

SOUTH ELEVATION ( REAR)

SCALE: 1/4" = 1'-0"




WEST ELEVATION ( REAR)

SCALE: 1/4" = 1'-0"




EAST ELEVATION ( REAR)

SCALE: 1/4" = 1'-0"

Pacific Coast Design.

BY:

HUGO HERNANDEZ
11059 MANSEL AVE.
LENNOX, CA
90304
PHONE:( 323) 559-3691
PHONE:( 310) 429-6386

PROJECT:

PROPOSED NEW
DUPLEX & SFD
FOR
716 E. ROSECRANS AVE
COMPTON, CA
90221

OWNER:

MUHAMMAD A. CHAUDHRY
9854 NATIONAL BLVD
SUITE # 314
LOS ANGELES, CA
90034

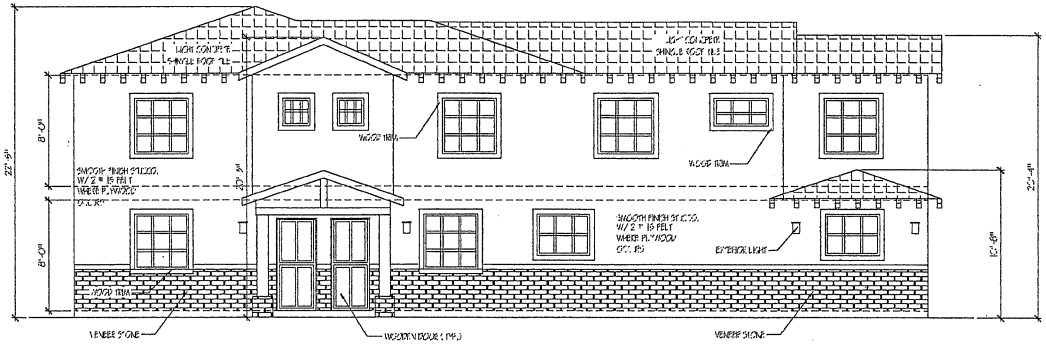
ENGINEER:

DRAWN BY: HECTOR
DATE: JUNE 2020
SCALE: 1/4"=1'-0"
SHEET NO.:

ELEVATION PLAN
( REAR)

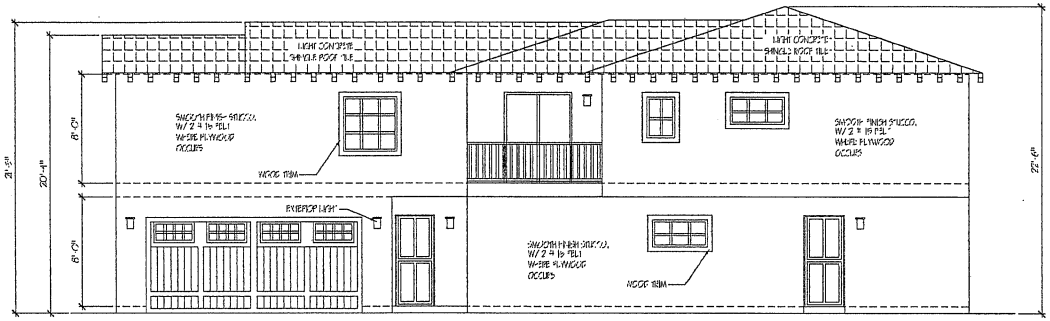
SHEET NO.

A-5



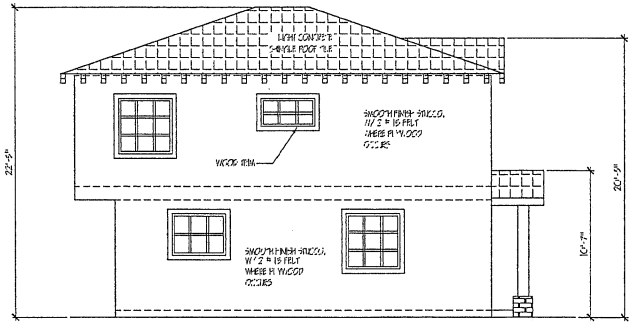

NORTH ELEVATION ( FRONT)

SCALE: 1/ 4" = 1' 0"



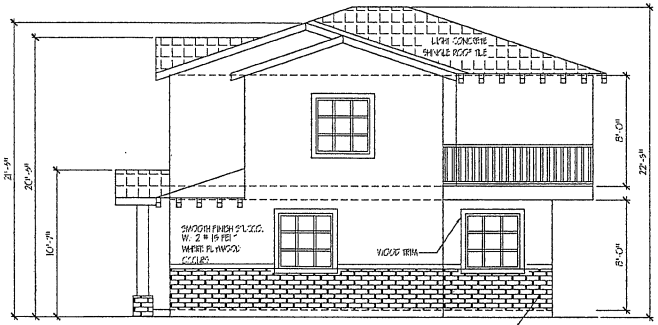

SOUTH ELEVATION ( FRONT)

SCALE: 1/ 4" = 1'-0"




EAST ELEVATION ( FRONT)

SCALE: 1/ 4" = 1'-0"




WEST ELEVATION ( FRONT)

SCALE: 1/ 4" = 1'-0"

Pacific Coast Design.

BY:

HUGO HERNANDEZ
11039 MANSEL AVE.
LENNOX, CA
90304
PHONE:( 323) 559-3691
PHONE:( 310) 429-6386

PROJECT:

PROPOSED NEW
DUPLEX & SFD
FOR
716 E. ROSECRANS AVE
COMPTON, CA
90221

OWNER:

MUHAMMAD A. CHAUDHRY
9854 NATIONAL BLVD
SUITE # 314
LOS ANGELES, CA
90034

ENGINEER:

DRAWN BY: ERIC LUNA
DATE: JAN 15, 2013
SCALE: AS SHOWN
SHEET TITLE:

ELEVATION PLAN
( FRONT)

SHEET NO.

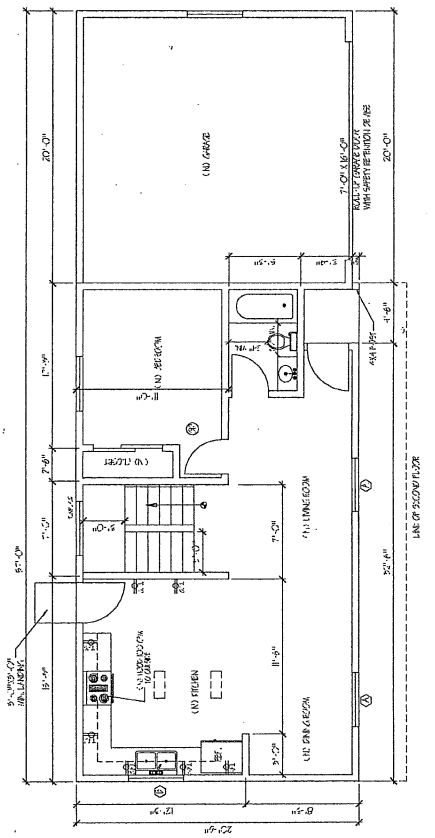
A-3

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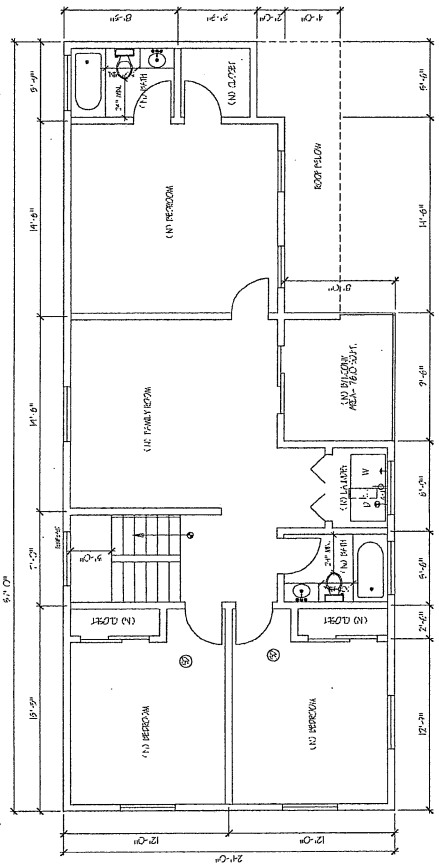
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Pacific Coast Design

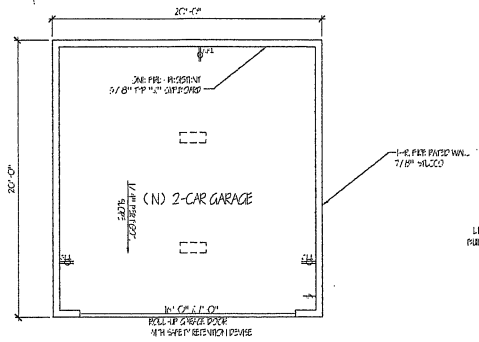
| | |
|---|---|
| TO: | HUGO HERNANDEZ<br>11059 MANSEL AVE.<br>LENNOX, CA<br>90304<br>PHONE:(525)559-3691<br>PHONE:(310)429-6586 |
| PROJECT: | PROPOSED NEW<br>DUPLEX & SFD<br>FOR<br>716 E. ROSECRANS AVE<br>COMPTON, CA<br>90221 |
| OWNER: | MUHAMMAD A. CHAUDHRY<br>9854 NATIONAL BLVD<br>SUITE # 314<br>LOS ANGELES, CA<br>90034 |
| DRAWING: | |
| DRAWN BY: | PAULA'S |
| DATE: | 7/10, 2025 |
| SCALE: | AS SHOWN |
| SHEET TITLE: | FLOOR PLAN<br>(REAR) |
| SHEET NO: | A-4 |



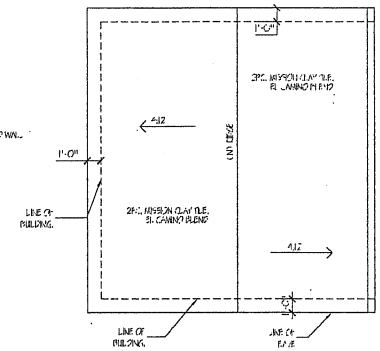

FIRST FLOOR (REAR)



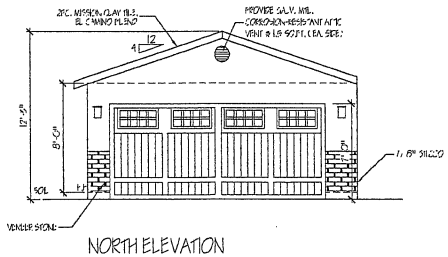

SECOND FLOOR (REAR)



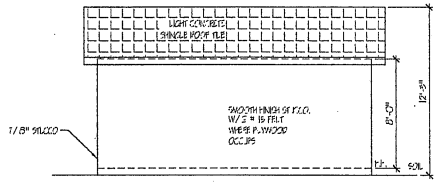

FLOOR PLAN



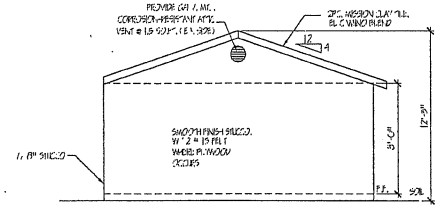

ROOF PLAN



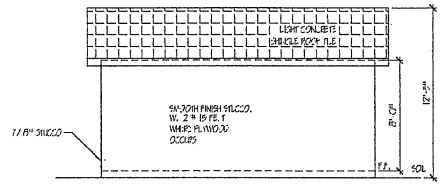

NORTH ELEVATION




WEST ELEVATION




SOUTH ELEVATION




EAST ELEVATION

Pacific Coast Design

HUGO HERNANDEZ
11039 MANSEL AVE.
LENNOX, CA
90304
PHONE:( 323) 559-3691
PHONE:( 310) 429-6386

PROJECT:

OWNER:

ENGINEER:

DRAWN BY: ERICA

SCALE: AS SHOWN

SHEET TITLE:

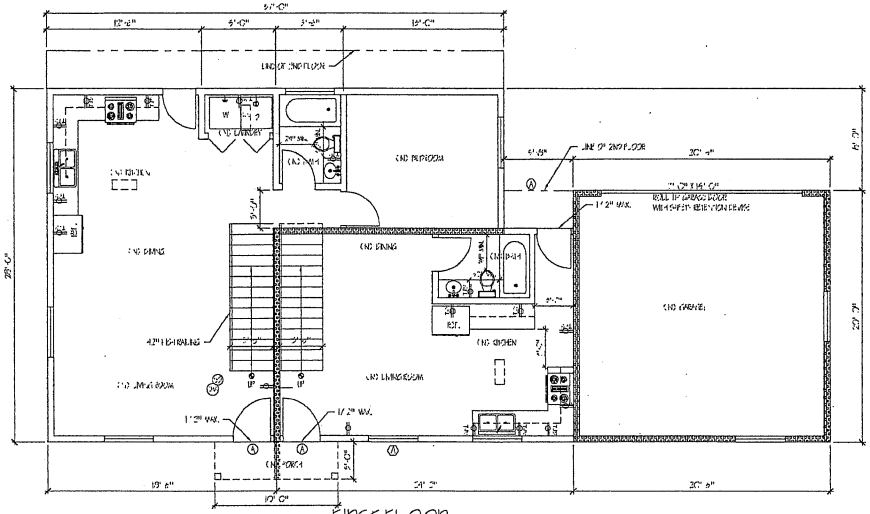
GARAGE PLAN

SHEET NO.

A-6

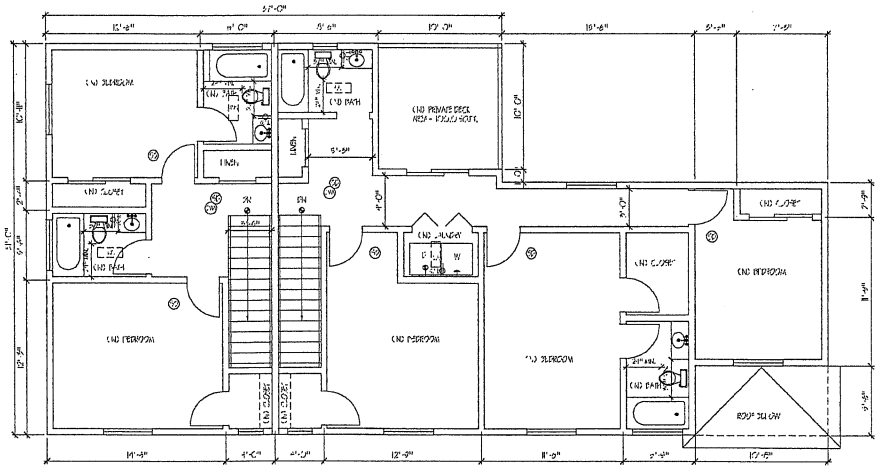
#15.

#15.




FIRST FLOOR

SCALE: 1/4" = 1'-0"




SECOND FLOOR

SCALE: 1/4" = 1'-0"

Pacific Coast Design

HUGO HERNANDEZ
11039 MANSEL AVE.
LENNOX, CA
90304
PHONE:(323) 559-3691
PHONE:(310) 429-6386

PROPOSED NEW
DUPLEX & SFD
FOR
716 E. ROSECRANS AVE
COMPTON, CA
90221

MUHAMMAD A. CHAUDHRY
9854 NATIONAL BLVD
SUITE # 314
LOS ANGELES, CA
90034

DRAWN: JAC JR A
DATE: JAN 18, 2015
SCALE: AS SHOWN

FLOOR PLAN
( FRONT)

A-2

# CITY OF COMPTON
## PLANNING DEPARTMENT
# NOTICE OF EXEMPTION
## PURSUANT TO
# THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

To:
Los Angeles County Clerk
12400 East Imperial Highway
Suite #2001
Norwalk, California 90650

From:
City of Compton
Planning Division
205 S. Willowbrook Avenue
Compton, California 90220

**Project Title:** Conditional Use Permit No. 2750

**Project Address:** 716 E. Rosecrans Ave. (APN: 6178-003-044)

**Project Location:** City of Compton

**Description of Nature, Purpose, and Beneficiaries of Project:**
Conditional Use Permit Case No. 2750 is a request of the Muhammad Chaudhry to construct 3 residential units on a vacant property located at 716 E. Rosecrans Ave., Compton, in the Limited Commercial (C-L) zone.

**Name of Public Agency Approving Project:**
City of Compton – Planning Commission

**Name of Person or Agency Carrying Out Project:**
Muhammad Chaudhry

**Exemption Status:**
The project is exempt in accordance with Section 15303 of the State CEQA Guidelines.

**Reasons why project is exempt:**
The project is Categorically Exempt in accordance with Section 15303 of the State CEQA Guidelines (Class 3 – New Construction or Conversion of Small Structures). The scope of this project falls within the parameters set for a Class 3 exemption which allows for up to 6 residential dwelling units in an urbanized setting where all necessary public services and utilities are readily available.

**Lead Agency Contact Person:**
Jessica Lopez — Telephone #: (310) 605-5532

Signature:
Title: Associate Planner

Date: February 12, 2015

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Planning**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON TO AFFIRM, AMEND OR REVERSE THE PLANNING COMMISSION'S DECISION TO DENY CONDITIONAL USE PERMIT CASE NO. 2750 - A REQUEST BY MUHAMMAD CHAUDHRY TO CONSTRUCT THREE (3) RESIDENTIAL DWELLING UNITS AT 716 EAST ROSECRANS AVENUE IN A LIMITED COMMERCIAL ZONE**

| | |
|---|---|
| ***Robert Delgadillo*** | **4/21/2015 11:25:58 AM** |
| DEPARTMENT MANAGER'S SIGNATURE | DATE |

**REVIEW / APPROVAL**

| | |
|---|---|
| ***Ruth Rugley*** | **4/23/2015 2:59:07 PM** |
| CITY ATTORNEY | DATE |
| ***Michael Antwine*** | **4/2/2015 2:57:07 PM** |
| CITY CONTROLLER | DATE |
| ***Johnny Ford*** | **4/21/2015 5:20:17 PM** |
| CITY MANAGER | DATE |

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

April 28, 2015

**TO:** **MAYOR AND CITY COUNCIL**

**FROM:** **GLEN W.C. KAU, P.E., DIRECTOR**
**PUBLIC WORKS/MUNICIPAL UTILITIES**

**SUBJECT:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PROFESSIONAL SERVICES AGREEMENT WITH APA ENGINEERING, INC. TO PROVIDE ADDITIONAL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE 2014 STREET RESURFACING PROJECT (CIP# 14-01) AND AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $8,100**

## SUMMARY

This resolution will authorize the City Manager to amend the professional services agreement with APA Engineering, Inc. ("APA") for additional construction management and inspection services for the 2014 Street Resurfacing Project (CIP# 14-01) and authorize the issuance of a purchase order in the amount of $8,100.

## BACKGROUND

On September 2, 2014, pursuant to Resolution No. 24,010, City Council authorized the City Manager to enter into a professional services agreement with APA to provide construction management and inspection services for the 2014 Street Resurfacing Project.

The project consist of placement of rubber chip seal and slurry seal over the existing pavement, remove and replace failed asphalt concrete areas, curb gutter and sidewalk improvements, install ADA compliant curb ramps, traffic loop replacement and other minor associated work.

On March 2, 2015, City staff received a request to provide additional construction management and inspection services from APA for the project due to unforeseen issues resulting in additional time coordinating, mitigating, negotiating and developing consensus to ensure that the project is completed to the satisfaction of all parties involved.

The construction management and inspection services include, but are not limited to the preparation of project status reports, preparation of power point presentations to the City Council, working with the engineer of record to fix design deficiencies. Also, three (3) streets were added to the project for resurfacing work which requires additional time for inspection and to manage the remainder of the contract.

## STATEMENT OF ISSUE

In order to amend the professional service agreement with APA for additional construction management and inspection services for the 2014 Street Resurfacing Project (CIP# 14-01) and authorize the issuance of a purchase order in the amount of $8,100, City Council authorization is necessary.

## FISCAL IMPACT

Funds in the amount of $8,100 are available in the Public Works/Municipal Utilities Department's 2014-2015 Fiscal Year budget in Account No. 1520-720-0MR-4233.

## ALTERNATIVE

The City desires extra work performed which requires additional construction management and inspection services to complete the subject project. No other alternative is recommended.

## RECOMMENDATION

Staff recommends the City Council accept the proposal submitted by APA Engineering, Inc., to provide additional construction management and inspection services for the 2014 Street Resurfacing Project and authorize the City Manager to amend the professional services agreement and issue a purchase order for $8,100 to APA Engineering, Inc.

**GLEN W.C. KAU, P.E., DIRECTOR**
**PUBLIC WORKS/MUNICIPAL UTILITIES DEPARTMENT**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

GHD:GK:JS

Attachment: Proposal

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PROFESSIONAL SERVICES AGREEMENT WITH APA ENGINEERING, INC. TO PROVIDE ADDITIONAL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE 2014 STREET RESURFACING PROJECT (CIP# 14-01) AND AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $8,100**

**WHEREAS,** on September 2, 2014, pursuant to Resolution No. 24, 010, City Council authorized the City Manager to enter into a professional services agreement with APA Engineering, Inc. ("APA") to provide construction management and inspection services for the 2014 Street Resurfacing Project; and

**WHEREAS,** the project consist of installation of terminal blend rubber chip seal and slurry seal on existing pavement, remove and replace failed asphalt concrete areas, install ADA compliant curb ramps, curb gutter and sidewalk improvements, traffic loop replacement and other minor associated work; and

**WHEREAS,** on March 2, 2015, City staff received a request to provide additional construction management and inspection services for the project due to unforeseen issues which APA staff has spent additional time coordinating, mitigating, negotiating, and developing consensus to ensure that the project is completed to the satisfaction of all parties involved; and

**WHEREAS,** the tasks include, but are not limited to the preparation of project status reports, preparation of power point presentations to the City Council, working with the engineer of record to fix design deficiencies and the adding of three additional streets to the project for rehabilitation/resurfacing requiring additional time to inspect and manage the remainder of the contract; and

**WHEREAS,** staff recommends that the professional service agreement with APA be amended to provide for the additional construction management and inspection services for the 2014 Street Resurfacing Project (CIP# 14-01) and authorize the issuance of a purchase order in the amount of $8,100; and

**WHEREAS,** funds are available in the Public Works/Municipal Utilities Department's 2014-2015 Fiscal Year budget in Account No. 1520-720-0MR-4233; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** That the City Manager, upon approval of the City Attorney is authorized to amend the professional services agreement with APA Engineering, Inc. for additional construction management and inspection services for the 2014 Street Resurfacing Project (CIP# 14-01).

**SECTION 2.** That a purchase order in the amount of $8,100 is authorized to be established with APA Engineering, Inc. for the additional services performed for the 2014 Street Resurfacing Project.

**SECTION 3.** That funds in the amount of $8,100 are available in the Public Works/Municipal Utilities Department's 2014-2015 Fiscal Year budget Account No. 1520-720-0MR-4233.

**SECTION 4.** That copies of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and the Public Works/Municipal Utilities Department.

**SECTION 5.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this ____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested to by the City Clerk, at a regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCILMEMBERS-**
**NOES: COUNCILMEMBERS-**
**ABSTAIN: COUNCILMEMBERS-**
**ABSENT: COUNCILMEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**APA Engineering, Inc.**

Civil Engineering Planning Surveying Project Management

10 YEAR ANNIVERSARY

March 2, 2015

Glen W.C. Kau, P.E., Public Works/Municipal Utilities Director
City of Compton Public Works/Municipal Utilities Department
205 South Willowbrook Avenue
Compton, California 90220

**Subject: Request to Provide Additional Construction Management and Inspection Services for the Street Rehabilitation Project CDBG #13-02**

Dear Mr. Kau,

Please be advised that APA Engineering has exhausted our original contract budget for the subject project. We need an additional $8,000 to finish the project.

The project has run into a few unforeseen issues which APA staff has spent excessive time coordinating, mitigating, negotiating, and developing consensus to ensure that the project is completed successfully to the satisfaction of all parties involved.

These issues included, but are not limited to; preparation of Project Status Reports, preparation of Power Point Slides, presentation to the City Council two or three times, dealing with Engineer of the Record to fix the design deficiencies on numerous occasions , and dealing with homeowners to make sure their concerns were being addressed properly. In addition, adding three additional streets to the project with unclear rehabilitation/resurfacing plan has taken a great deal of our staff time to coordinate and develop solutions acceptable to the City and property owners. Resurfacing these streets will also take additional time to inspect and finalize the contract.

I would kindly request approval of the additional $8,000 so that APA Engineering can continue providing our services to finish the project. Please call or e-mail me, should you need additional information.

Thank you for the opportunity to provide our services to the City of Compton.

Very truly yours,
*APA Engineering, Inc.*

Ali Pakzad, P.E.
President, Senior Project Manager

**PROPOSED FEE FOR ADDITIONAL WORK:**

Based on our understanding of the scope of work, we are proposing one inspector for as long as needed by the City for at an hourly rate of $95 per hour and one Construction Manager at an hourly rate of $105 per hour

The total Not-to-Exceed fee is estimated and itemized below:

| ITEM | HOURS | COST |
|---|---|---|
| 1-Construction Inspection (Assumed 75 Working Days @ $95/hr) | 32 | $3,040 |
| 2- Project Close-Out | 12 | $1,260 |
| 3-Construction Manager (Assumed 40 hours @ $105/hr) | 24 | $2,520 |
| 4- Materials Testing by Subcontractor/GEI (As-Needed) @$160/hr | 8 | $1,280 |
| **Total Estimated Not-to-Exceed** | | **$8,100** |

The hourly fee includes all benefits, overhead and other associated cost and expenses such as phone, faxes, contract administration, night work and other related activities. Hours worked over regular 8 hour-day and hours worked on weekend are considered overtime and will be charged accordingly.

Material Testing will be performed by our Subconsultant **Geo-Environmental, Inc.,** as an optional service and on an as-needed basis. There are so many variables involved in testing therefore; we have lumped all the cost associated with material testing into one hourly rate with a Not-to-Exceed Budget. The rate includes equipment, travel time, and any lab work that might be needed.

Depending on construction schedule these services maybe required on an as-needed or continuous basis. The minimum charge for inspection call is 4 hours with 48 hours advanced notice.

Invoices will be submitted monthly based on the percentage of each task done. Number of hours may be adjusted at the City's discretion and mutual agreement.

**SCHEDULE:**

The work schedule shall be submitted to the City by the contractor for review and comments.
APA staff will assist in reviewing the Contractor's schedule and work plan to ensure that all activities planned are consistent with the City's bid documents and contract language. The schedule also will be reviewed for shop drawing submittals, staging and lane closure purposes to make sure that Contractor's work plan is accurate and posses minimum impact on public and the adjacent businesses.

**AMENDMENT TO**
**PROFESSIONAL SERVICES AGREEMENT**
**BETWEEN**
**CITY OF COMPTON**
**AND**
**APA ENGINEERING, INC.**

This **FIRST AMENDMENT** is entered by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and **APA ENGINEERING, INC.** (hereinafter referred to as **"CONSULTANT"**), located at 9880 Irvine Center Drive, Irvine, California 92618.

**RECITALS:**

**WHEREAS,** the City is implementing the 2014 Street Resurfacing Project (Capital Improvement Project # 14-01); and

**WHEREAS,** pursuant to Resolution No. 24,010, adopted by the City Council on September 2, 2014, the City and Consultant entered into a Professional Services Agreement wherein the Consultant was hired to provide construction management and inspection services for the 2014 Street Resurfacing Project; and

**WHEREAS,** due to unforeseen issues, including the adding of three (3) additional streets to project for rehabilitation/resurfacing required additional time to inspect and manage the remaining contract, requiring additional time coordinating, mitigating, negotiating and developing consensus to ensure that the project is completed to the satisfaction of all parties involved; and

**WHEREAS,** there is a need to amend the Professional Services Agreement with the Consultant to extend the term until the project is completed and provide additional compensation in the amount of $8,100.00 for the continued provision of construction management and inspection services for the Project; and

**WHEREAS,** Section 26 of the original Agreement provides that the Agreement may be amended by a written document executed by both parties.

**NOW, THEREFORE,** the parties do hereby mutually agree to amend the Agreement as follows:

**AMENDMENTS**

**1.** The parties agree to amend **Section 1 – Services to be Rendered by Consultant** of the original Agreement to expand the services to be performed by the Consultant as follows:

Consultant shall prepare Project Status Reports, prepare Power Point Slides, present to the City Council two or three times, deal with the Engineer of Record to fix the design deficiencies on numerous occasions and with homeowners to make sure their

concerns are addressed properly. Also, add three (3) additional streets to the project with unclear rehabilitation/resurfacing plans (as described within Consultant's **"Request to Provide Additional Construction Management and Inspection Services for the Street Rehabilitation Project CDBG #13-02,** which is incorporated herein**)**.

**2.** The parties agree to amend **Section 2 – Duration of Contract** of the original Agreement to revise the duration of the contract by adding the provision that Consultant shall commence the additional services to be performed as provided for within this First Amendment upon Notification to Proceed from the Director of his/her designee and continue in a diligent and professional manner until the services to be rendered are complete.

**3.** The parties agree to amend **Section 3 – Compensation** of the original Agreement to revise the maximum amount of compensation payable to Consultant for services performed and completed pursuant to this First Amendment by adding that City agrees to pay and Consultant agrees to accept as full and complete compensation for satisfactory performance of all additional services performed by the Consultant pursuant to the provisions of this First Amendment the not-to-exceed maximum sum of **Eight Thousand One Hundred Dollars ($8,100.00) –** as provided in Consultant's **"Proposed Fee for Additional Work"** included within Consultant's Proposal (Request to Provide Additional Construction Management and Inspection Services)**.**

**4.** Except as provided for above, all other terms and conditions of the original Agreement and any amendments thereto between the City and the Consultant all remain in effect.

**IN WITNESS WHEREOF,** the authorized representatives of the parties have executed this **FIRST AMENDMENT** to the above-identified **PROFESSIONAL SERVICES AGREEMENT.**

**APA ENGINEERING, INC./CONSULTANT**

**By _____ Dated: _____**
**Ali Pakzad, P.E., President**

**CITY OF COMPTON**
**Recommended for Approval:**

**By _____ Dated: _____**
**Glen W. C. Kau, P.E., Director**
**Public Works/Municipal Utilities Department**

**Approved by:**

**Dated: _____** **By _____**
**Johnny Ford, City Manager**

**Approved as to form:**

**By _____** **Dated: _____**
**Craig J. Cornwell, City Attorney**

**ATTEST:**

**Dated: _____** **By_____**
**Alita Godwin, City Clerk**

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Public Works-Engineering**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PROFESSIONAL SERVICES AGREEMENT WITH APA ENGINEERING, INC. TO PROVIDE ADDITIONAL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE 2014 STREET RESURFACING PROJECT (CIP# 14-01) AND AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $8,100.**

| | |
|---|---|
| ***Glen Kau*** | **4/21/2015 9:25:56 AM** |
| DEPARTMENT MANAGER'S SIGNATURE | DATE |

**REVIEW / APPROVAL**

| | |
|---|---|
| ***Ruth Rugley*** | **4/22/2015 12:01:23 PM** |
| CITY ATTORNEY | DATE |
| ***Stephen Ajobiewe*** | **4/21/2015 7:35:34 PM** |
| CITY CONTROLLER | DATE |
| ***Johnny Ford*** | **4/21/2015 10:05:51 AM** |
| CITY MANAGER | DATE |

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

**April 28, 2015**

**TO:** **MAYOR AND COUNCIL MEMBERS**

**FROM:** **ROBERT DELGADILLO, PLANNING MANAGER**
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**

**SUBJECT:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE INCORPORATED AREA OF THE CITY OF COMPTON IN THE LOS ANGELES COUNTY ENERGY PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY AND WATER EFFICIENCY IMPROVEMENTS, APPROVING THE REPORT SETTING FORTH THE PARAMETERS OF THE REFERENCED PROGRAM AND CERTAIN MATTERS IN CONNECTION THEREWITH**

## SUMMARY

Adoption of the attached resolution by the City Council will authorize willing property owners within the City of Compton to participate in the Los Angeles County Energy Program ("LACEP") which will enable such property owners with financing the installation of distributed generation renewable energy projects and energy and water efficiency improvements to their property.

## BACKGROUND

Chapter 29 of Part 3 of Division 7 of the Streets and Highways Code of the State of California (the "Act") authorizes counties and cities to assist free and willing property owners in financing improvements; such as, installation of distributed generation renewable energy sources and energy and water efficiency improvements; that are permanently fixed to residential, commercial, industrial or other real property through a voluntary contractual assessment program. The financing for these permanent improvements has come to be known as "PACE," which stands for "Property Assessed Clean Energy."

Los Angeles County has implemented the Los Angeles County Energy Program to provide financing to qualified property owners within the County for the installation of distributed generation renewable energy projects and energy and water efficiency improvements to the respective properties. LACEP was formed to help property owners make capital investments in distributed generation renewable energy sources and energy efficiency and water efficiency improvements that will provide long-term efficiencies and reduce energy bills. LACEP will provide a financing mechanism for these improvements through an assessment contract between the County and property owner, pursuant to which the County will disburse a specified amount of

funding in the form of a loan to the property owner. The property owner will repay this loan through contractual assessments to be included on their annual property tax bill.

Los Angeles County has made their Home Energy Renovation Opportunity ("HERO") Property Assessed Clean Energy ("PACE") financing program available to incorporated cities within the County through the adoption of a resolution by their respective city councils, which in turn saves significant time, cost and local resources that would otherwise be needed to develop a independent local program.

## STATEMENT OF ISSUE

By providing financing that may not otherwise be readily available to property owners, the County Program is promoting energy and water conservation and the reduction of greenhouse gas emissions.

A wide variety of efficiency products are available to property owners through the HERO Program. Some of HERO's most popular products include water-saving technologies, solar power panel installations, whole-home heating and cooling (HVAC) systems, energy-saving windows and doors, roofing and insulation. HERO also has more than 50 product lines to help homeowners save water during this extended drought, including high-efficiency toilets, faucets and showerheads; drip irrigation systems; rainwater catchment systems; gray water systems; as well as artificial turf and drought-tolerant landscaping.

The HERO Program allows property owners in participating cities and counties to finance the installation of energy and water efficient improvements, and electric vehicle charging infrastructure on their property. If a property owner chooses to participate, the installed improvements will be financed by the HERO Program with no upfront costs to the City or property owner. The improvements are secured by a voluntary contractual assessment levied on such owner's property, with no obligation to the local government or other participating jurisdictions. Participation in the Program is 100% voluntary. Property owners who wish to participate in the Program agree to repay the amount borrowed through the voluntary contractual assessment collected together with their property taxes. This financing is available for eligible improvements on both residential and non-residential properties.

The benefits to the property owner include:

- Eligibility: In today's economic environment, alternatives for property owners to finance renewable energy/energy efficiency/water efficiency improvements or electric vehicle charging infrastructure may not be available. As such many property owners do not have financing options available that would provide funding for improvements that lower their utility bills.

- Savings: Energy prices continue to rise and selecting in energy efficient, water efficient and renewable energy improvements reduces utility bills.
- 100% voluntary. Property owners can choose to participate in the program at their discretion. Improvements and properties must meet eligibility criteria in order to qualify for financing.
- Payment obligation stays with the property. Under Chapter 29, a voluntary contractual assessment stays with the property upon transfer of ownership. Certain residential conforming mortgage providers will, however, require the assessment be paid off at the time the property is refinanced or sold.
- Prepayment option. The property owner can choose to pay off the assessments at any time, subject to applicable prepayment penalties.
- Customer oriented program. Part of the success of the program is the prompt customer service. Committed funding partners provide funding promptly upon project completion resulting in both property owner and contactor satisfaction.

The benefits to the City include:

- Increase local jobs.
- An increase in property values (energy efficient homes and buildings are worth more money).
- An increase in sales, payroll and property tax revenue
- As in conventional assessment financing, the City is not obligated to repay the bonds or to pay any delinquent assessments levied on the participating properties.
- All California HERO Program and assessment administration, bond issuance and bond administration functions are handled by California HERO. Little, if any, City staff time is needed to participate in the California HERO Program.

The attached resolution enables the HERO Program to be available to owners of residential and non-residential property within the City of Compton to finance renewable energy, energy efficiency, water efficiency improvements and electric vehicle charging infrastructure. The resolution approves the inclusion of Compton in the LACEP in order to enable the HERO Program to be offered to the property owners located within the City who wish to participate in the HERO Program.

In addition to directly benefiting the property owner, the HERO Program also can yield a tremendous benefit the City by allowing the City to track the HERO-funded projects in the City. The HERO Program provides the City with access to a web page that provides project mapping and tracking information to the City. Tracking allows the City to categorize the type of improvements installed and the corresponding energy savings the improvements yield. This translates into a quantifiable annual reduction in greenhouse gases produced. Through the adoption of the HERO Program the City can demonstrate how it is taking active steps to reduce its production of greenhouse gases and show the actual amounts of the reduction.

The HERO Program can also stimulate jobs in Compton. The contractors who perform the work can be Compton based. After Program adoption the City does not have any role in the program. The Program operates as a private program between the property owner and the Hero Program.

The attached resolution authorizes participation in the LACEP. Once the resolution is adopted, the property owners can take advantage of the HERO Program after 30 days.

## FISCAL IMPACT

There is no negative fiscal impact to the City's general fund that will be incurred by consenting to the inclusion of properties within the City limits in the HERO Program. All HERO Program administrative costs are covered through an initial administrative fee included in the property owner's voluntary contractual assessment and an annual administrative fee which is also collected on the property owner's tax bill.

## RECOMMENDATION

Staff recommends adoption of the attached Resolution approving the participation in the Los Angeles County Energy Program which will enable both commercial and residential property owners to finance permanently fixed renewable energy, energy and water efficiency improvements and electric vehicle charging infrastructure on their properties.

**ROBERT DELGADILLO, PLANNING MANAGER**
**PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT**

**STEVE MASURA, DIRECTOR**
**COMMUNITY DEVELOPMENT**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE INCORPORATED AREA OF THE CITY OF COMPTON IN THE LOS ANGELES COUNTY ENERGY PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY AND WATER EFFICIENCY IMPROVEMENTS, APPROVING THE REPORT SETTING FORTH THE PARAMETERS OF THE REFERENCED PROGRAM AND CERTAIN MATTERS IN CONNECTION THEREWITH**

**WHEREAS,** Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Act") authorizes cities and counties to assist free and willing property owners in financing the installation of distributed generation renewable energy sources and energy and water efficiency improvements (the "Improvements") that are permanently fixed to residential, commercial, industrial or other real property through a contractual assessment program; and

**WHEREAS**, the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles, a political subdivision of the State of California (the "County"), has established a contractual assessment program named the Los Angeles County Energy Program ("LACEP") pursuant to the Act; and

**WHEREAS**, the parameters of LACEP are set forth in the Report attached hereto as Exhibit A (the "Report") and such Report has been prepared by the Director of the Internal Services Department of the County, as Program Administrator (the "Program Administrator"), pursuant to Section 5898.22 of the Act and approved by the Board of Supervisors; and

**WHEREAS**, the Act authorizes the County to enter into contractual assessments with property owners located within incorporated cities only subsequent to the approval of the legislative body of the related city to participate in LACEP; and

**WHEREAS,** the City of Compton desires to participate with the County in LACEP, under terms and conditions agreed to by the City of Compton and the County, and provide for participation in LACEP by property owners located within City limits.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** The recitals set forth hereinabove are true and correct in all respects.

**Section 2.** This City Council finds and declares that properties in the City's incorporated area will be benefited by participation in the Los Angeles County Energy Program.

**Section 3.** This City Council ratifies the resolution adopted by the Board of Supervisors on April 6, 2010, declaring the Board of Supervisors' intention to order the implementation of a contractual assessment program to finance Improvements pursuant to the Act.

**Section 4.** This City Council hereby approves the Report substantially in the form attached hereto as Exhibit A and finds and determines that changes to the parameters of the Los Angeles County energy Program that are not material in nature do not require the approval of this Council.

**Section 5.** This City Council hereby approves the inclusion in the Los Angeles County Energy Program of all of the properties in the incorporated area within the City, as same may be amended through annexation from time to time, the acquisition, construction and installation within City limits of the Improvements set forth in the Report upon the request and agreement of the affected property owner, and the assumption of jurisdiction thereover by the County for the aforesaid purposes. The adoption of this Resolution by this City Council constitutes the approval by the City to participate in the Los Angeles County energy Program. This City Council further authorizes the County to set the terms of and implement the Los Angeles County Energy Program and to take each and every action necessary or desirable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance of bonds secured by such contractual assessments.

**Section 6.** City staff is authorized and directed to coordinate with the County, including the Program Administrator and County staff, to facilitate operation of the Los Angeles County Energy Program. City staff is also authorized and directed to do all acts and things which may be required by this Resolution, or which may be necessary or desirable in carrying out the Los Angeles County energy Program as described in the Report, as may be amended from time to time, and approved by this Resolution, and all matters incidental thereto.

**Section 7.** The City Clerk is directed to file a certified copy of this Resolution with the Los Angeles County Office of Sustainability, located at 1100 North Eastern Avenue, Los Angeles, California 90063.

**Section 8.** That a copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, Planning and Economic Development Department, and Building and Safety Department.

**Section 9.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**
**ABSTAIN: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**




Your energy efficient future, today.




Less Limitations,

# MORE POSSIBILITIES



#17.

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**Results**

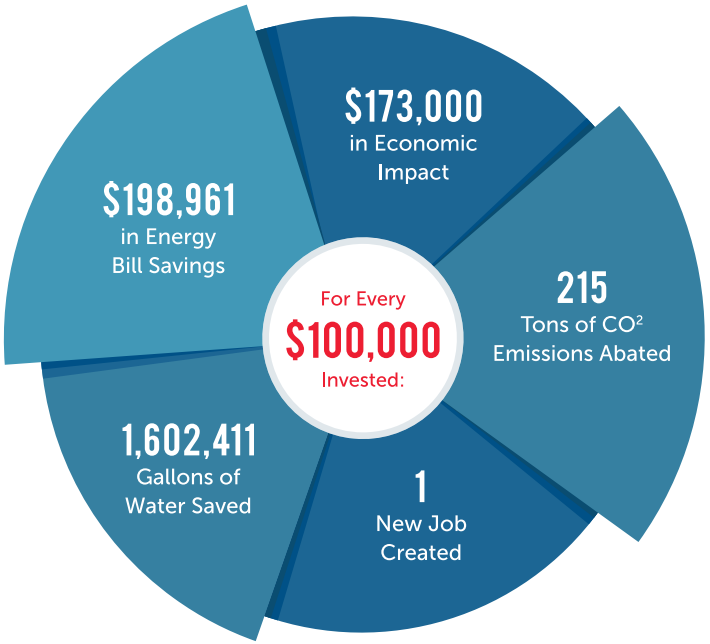
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# Why HERO?

HERO is helping communities across California realize the promise of an energy efficient future by making the energy efficient choice the safe and affordable choice for property owners.




## Community Impact

When property owners invest in energy efficient upgrades, they do more than save energy. HERO also helps communities create new jobs, save water and increase property values. HERO provides:

**Consumer Protection:**

Price / Value Confirmation

Pay Upon Job Completion

Dispute Resolution

**Economic Stimulus:**

Lower Utility Bills

New Job Creation

Increased Property Values

**Environmental Benefits:**

Reduced $CO^2$ Emissions

Decreased Energy Consumption

Water Savings

#17.

# HERO Advantage

When you approve HERO in your community you're protecting consumers before, during and upon completion of every project. Contractors must be in good standing with the Program and are only paid after the job is completed to the consumer's satisfaction.

| Consumer Protection | | Before HERO | After HERO |
|---|---|---|---|
| Training | Eligibility Requirements<br>Proposal Automation<br>Estimating Calculators<br>Application Verification | ✖ | ✔ |
| Compliance | Marketing<br>Product Eligibility<br>Fair Pricing<br>CSLB Confirmation<br>Permit Verification | ✖ | ✔ |
| Protection | Pay Upon Completion<br>ID Verification<br>Terms Confirmation<br>In Good Standing<br>Dispute Resolution | ✖ | ✔ |

## HERO Features:

- Quality Control
- Approvals Based on Home Equity
- Long-Term Low Fixed Interest Rates

## HERO Products:

Over 900,000 models of energy saving products qualify:

- Solar
- HVAC
- Roofing
- Windows
- Artificial Turf
- Pool Pumps
- Water Savings
- Insulation

# PACE Track Record

HERO is the largest and most successful residential PACE based financing program in the nation, and the only program that has successfully securitized PACE based loans. All funding, support services and technology are provided at no cost to the municipality.

Our proven model enables us to continue to provide:

- Ongoing Lending Capital
- Dependable Support Services
- Comprehensive Technology Infrastructure
- Unrivaled Consumer Protections



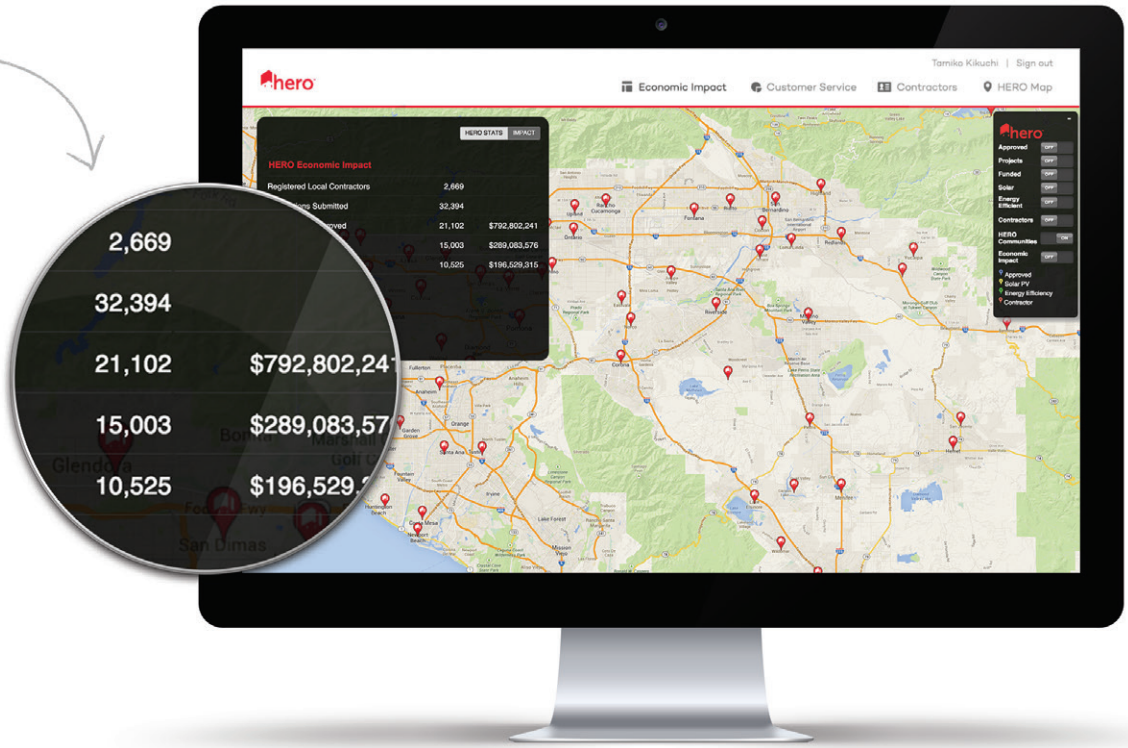

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# Integrated Technology

HERO provides communities an extensive technology platform designed to deliver accurate and timely information during every step of the process.

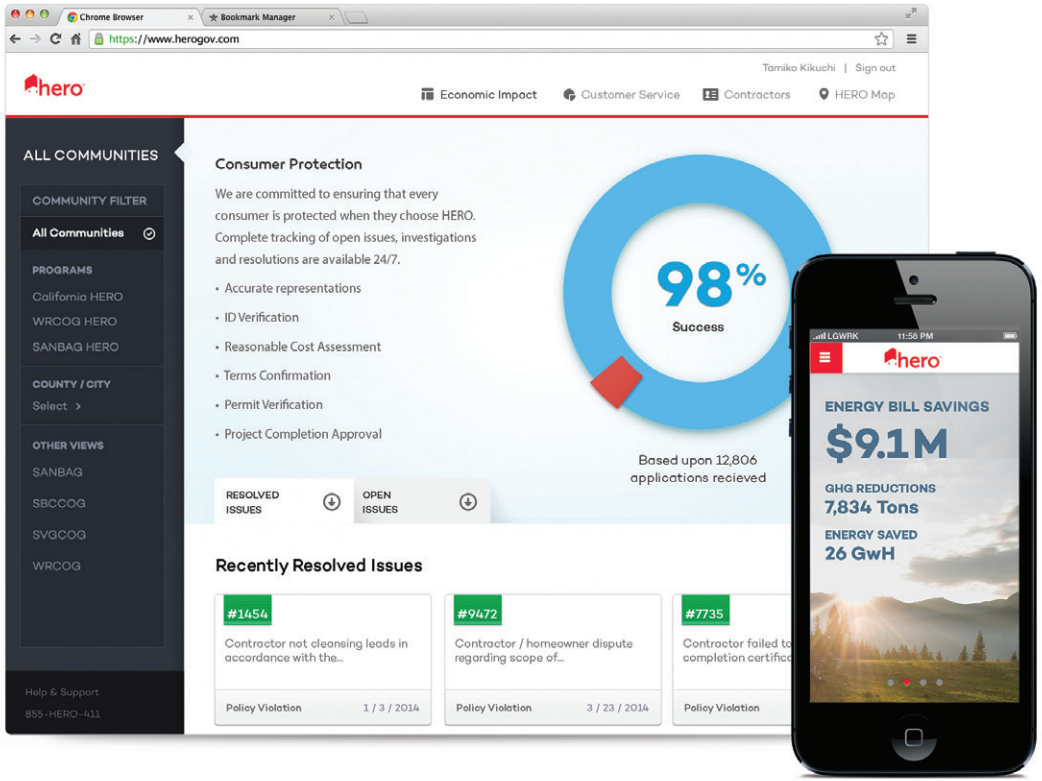
**Real-time Tracking:**

- Project Types
- Active Contractors
- New Job Creation
- $CO^2$ Reduction
- Economic Impact



# HERO Gov

HERO Gov provides municipalities direct insight on Program performance and transparency on all consumer protection support items.




## Features:

- HERO Map
- Mobile App
- Real Time Data
- Projects Financed
- Amounts Financed
- Environmental Impact
- Jobs Created
- Consumer Protection Inquiries and Resolutions

#17.

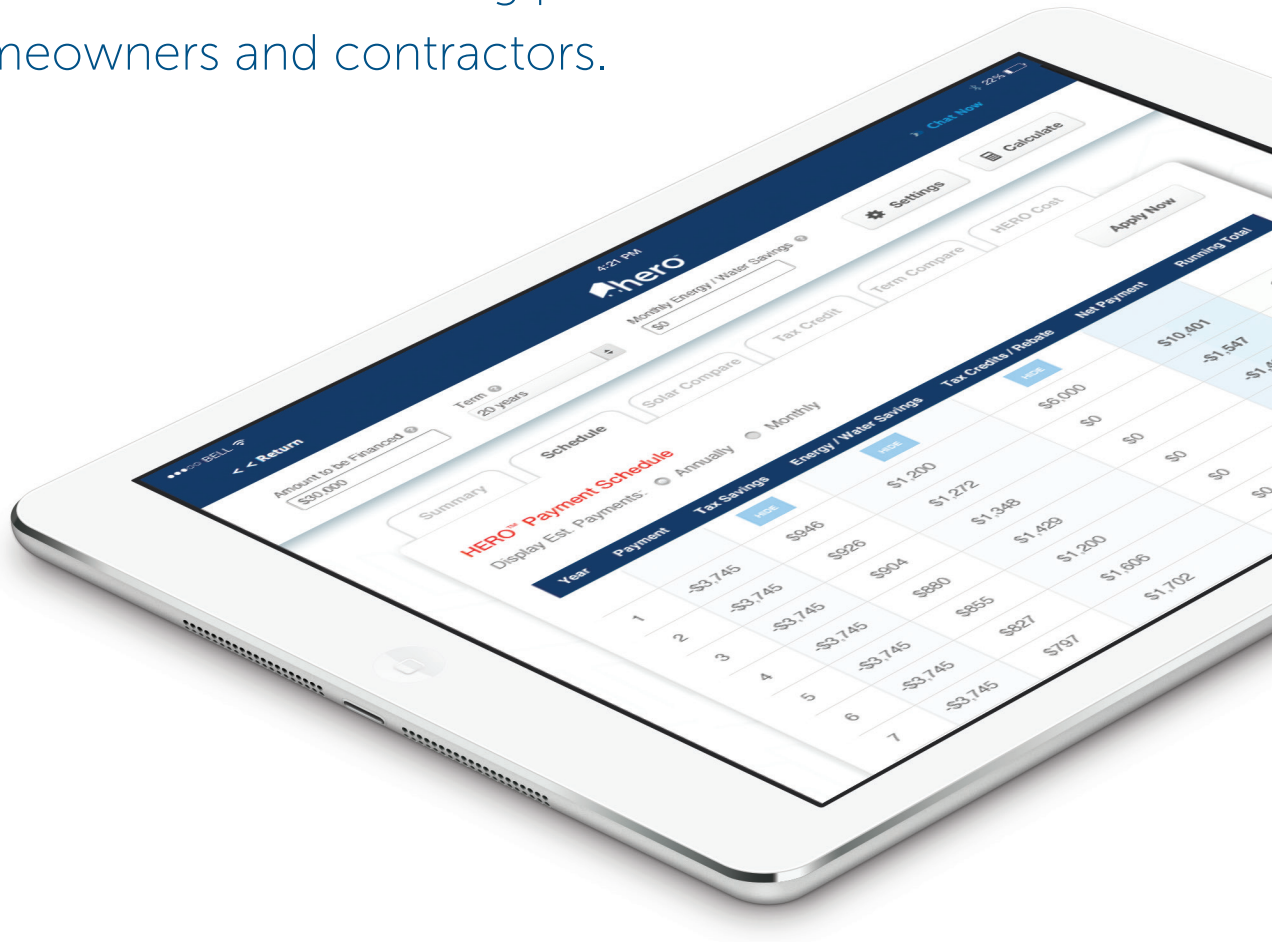
#17.

# HERO Pro

An integrated, secure platform designed to make the estimating, approval, documentation and funding process as easy as possible for homeowners and contractors.

**Features:**

- Interactive Sales Tools
- Estimating Calculators
- Energy Savings Calculators
- Financing Document Generation
- Electronic Signature Capabilities
- Information and Updates
- Web Based Training Curriculum
- Webpage at heroprogram.com/companyname



# Community Support

We provide dedicated support to consumers, contractors and municipalities through every step of the process.

## Contractor Training

Our representatives in the field deliver training and provide ongoing support for application processing and program implementation.

## Municipal Support

Dedicated account managers are assigned to every municipality to provide training, ongoing support, and to respond to any constituent inquiries.

## Dispute Resolution

Every consumer complaint receives a full investigation. When necessary, our investigators with law enforcement experience will intervene to resolve any disputes.

## HERO Hotline (855-HERO-411)

Our full service call center is available to consumers and contractors from project start to completion.

| | |
|---|---|
| Mon-Th | 8am – 10pm |
| Friday | 8am – 9pm |
| Saturday | 10am – 8pm |
| Sunday | 10am – 6pm |




#17.

#17.

# Contractor Training & Registration

The HERO Program provides a comprehensive training program, designed to get contractors comfortable with all of the financing terms and the property owner approval process.

**Training includes:**

- Sales Training
- Software Training
- Product Eligibility
- Document Processing
- Completion Certification
- Payment Options
- Co-Marketing Policies
- Brand Usage Guidelines



# Consumer Protection Policy

HERO has developed the #1 Consumer Protection Policy in the home energy improvement financing sector.

## Contractor ID Verification

Every contractor must be in good standing with the Program, and have active license status with the CSLB.

## Pricing Controls

We conduct a Reasonable Cost Test on all major product types and projects to ensure consumers get a fair price.

## Permit Verification

We require verification that the necessary permits for qualifying products (including HVAC, solar PV, roofing, and many other products) have been issued.

## Payment Protection

No payments are made to the contractor until the property owner signs a completion certificate to verify the project has been completed to their satisfaction.




#17.

# Awards & Recognition

## HERO delivers real impact and has been recognized by industry leaders for excellence and innovation.




**ENVIRONMENTAL & ECONOMIC PARTNERSHIP** | Governor of California

Awarded California's highest honor by Governor Brown for exceptional leadership in environmental preservation and economic stimulus.

**BEST RESIDENTIAL PARTNERSHIP** | U.S. Green Building Council

Recognized as a Top 10 Green Building Policy in California, serving as a national model for financing energy efficiency and water conservation retrofits.

**BEST OF THE BEST**
Urban Land Institute

Recognized for sustainable community development and organizational leadership in providing: economic value, environmental quality, and social equity.

**BUSINESS ACHIEVEMENT AWARD**
Climate Change Business Journal

Recognized for successfully partnering with local governments to develop residential financing programs for energy efficiency and renewable energy systems.

**PRESIDENTS AWARD FOR EXCELLENCE**
Southern CA Association of Governments

Recognized for creating successful public-private partnerships and economic stimulus by bringing private funding into communities.

# HERO Communities

**Alameda County**
*Albany*

**Contra Costa County**
*Concord*

**Fresno County**
Clovis
Fresno
*Kingsburg*
*Reedley*
*Sanger*

**Imperial County**
Brawley
El Centro
*Unincorporated Area*

**Kern County**
*Arvin*
*California City*
Delano
*McFarland*
Ridgecrest
Taft
*Wasco*
Unincorporated Area

**Kings County**
*Lemoore*

**Los Angeles County**
Alhambra
Arcadia
Azusa
Baldwin Park
Bellflower
Bradbury
Carson
City of Industry
Claremont
Covina
Diamond Bar
El Monte
El Segundo
Gardena
Glendora
Hawthorne
Hermosa Beach
Inglewood
Irwindale
La Cañada Flintridge
La Verne
*Lancaster*
Lawndale
Lomita
Monrovia
Montebello
Monterey Park
Palmdale
Pomona
Rancho Palos Verdes
Rolling Hills
Rolling Hills Estates
Rosemead
San Dimas
San Gabriel
San Marino
Santa Monica
*Sierra Madre*
South El Monte
South Pasadena
Temple City
Torrance
Walnut
West Covina

**Madera County**
*Unincorporated Area*

**Merced County**
Atwater
Unincorporated Area

**Mono County**
Mammoth Lakes
Unincorporated Area

**Monterey County**
Monterey
*Unincorporated Area*

**Napa County**
*American Canyon*
Calistoga
Napa
*St. Helena*
Yountville
Unincorporated Area

**Orange County**
Anaheim
Brea
Buena Park
Costa Mesa
*Cypress*
Garden Grove
Huntington Beach
*Lake Forest*
La Palma
Laguna Hills
Newport Beach
Placentia
Santa Ana
Stanton
Tustin
Westminster

**Riverside County**
Banning
Calimesa
Canyon Lake
Corona
Eastvale
Hemet
*Indio*
Jurupa Valley
Lake Elsinore
Menifee
Moreno Valley
Murrieta
Norco
Perris
Riverside
San Jacinto
Temecula
Wildomar
Unincorporated Area

**Sacramento County**
Citrus Heights
*Rancho Cordova*

**San Bernardino County**
Adelanto
Apple Valley
Barstow
Big Bear Lake
Chino
Chino Hills
Colton
Fontana
Grand Terrace
Hesperia
Highland
Loma Linda
Montclair
Needles
Ontario
Rancho Cucamonga
Redlands
Rialto
San Bernardino
Twentynine Palms
Upland
Victorville
Yucaipa
Yucca Valley
Unincorporated Area

**San Diego County**
Carlsbad
*Coronado*
El Cajon
*Encinitas*
Escondido
*Imperial Beach*
*La Mesa*
Lemon Grove
Oceanside
San Diego
San Marcos
Solana Beach
Vista
Unincorporated Area

**San Joaquin County**
*Stockton*
Tracy

**San Mateo County**
Menlo Park

**Santa Barbara County**
*Lompoc*

**Santa Clara County**
San Jose

**Santa Cruz County**
Scotts Valley
*Unincorporated Area*

**Solano County**
*Benicia*
Vacaville
*Vallejo*
Unincorporated Area

**Stanislaus County**
Modesto
Newman
Oakdale
Turlock
Waterford

**Tulare County**
*Visalia*

**Ventura County**
*Fillmore*

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HERO Communities as of July 2014

*Italicization indicates pre-launch phase.*

#17.

# Get HERO

It's easy to bring HERO to your community. Get started by contacting us today at 855-HERO-411.




"Why HERO? It's made our community better by lowering unemployment, increasing environmental efforts, and boosting our economy!"

Mayor Rusty Bailey, Riverside, CA

"As HERO helps our residents lower their utility bills, San José furthers its sustainability goals by reducing energy and water use. Our economy and job market benefits from home improvement-related activity making it a win-win for all aspects of San José."

Kerrie Romanow, Director of Environmental Services, San José, CA

County of Los Angeles
**CHIEF EXECUTIVE OFFICE**
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 25, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

The Honorable Board of Directors
Los Angeles County Public Works Financing Authority
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Board Members:

**PUBLIC HEARING TO ESTABLISH THE LOS ANGELES COUNTY ENERGY PROGRAM (ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

On April 6, 2010, your Board adopted a resolution of intention (the Resolution of Intention) to implement the Los Angeles County Energy Program (LACEP or Program) to provide financing to qualified property owners within the County for the installation of distributed generation renewable energy projects and energy and water efficiency improvements to their respective properties. Pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the Act), your Board also set a public hearing date of May 25, 2010, to formally approve the Program and to provide an opportunity for public comment. The adoption of the enclosed resolutions will establish LACEP within the boundaries of the County and authorize a program of bond financing for loans made in connection with LACEP. Following the conclusion of the public hearing, incorporated cities within the County will have the opportunity to join LACEP through the adoption of a resolution by their respective city councils. The financing plan being presented to your Board is predicated on the issuance of bonds secured by contractual assessment revenues (Assessment Bonds) and will be validated in the Superior Court of Los Angeles County.

**IT IS RECOMMENDED THAT YOUR BOARD:**

As contemplated in the attached County Resolution Authorizing the Establishment of the Los Angeles County Energy Program, and Indenture (attachment 1):

1. Confirm the program report (attachment 2) prepared by the Internal Services Department (ISD) in accordance with Section 5898.22 of the Act and approve the formation of the contractual assessment program in connection with LACEP;

2. Direct the establishment and implementation of LACEP as provided for in the program report and in accordance with the applicable law; and

3. Appoint and designate the Director of ISD (the Program Administrator) to enter into contractual assessments with property owners on behalf of the County.

As contemplated in the attached County Resolution Authorizing Certain Actions in Connection with the Issuance and Sale of Assessment Bonds, and Indenture (attachment 3):

1. Establish a special fund to be held in trust by the County (the "Energy Fund") to be used for the purpose of administering LACEP;

2. Approve the issuance of the Assessment Bonds for the purpose of funding LACEP and authorize the execution and delivery of various financing documents in substantially the form presented to your Board at this public hearing; and

3. Authorize the Chief Executive Officer (CEO) and the Treasurer and Tax Collector (Treasurer), or their designees, in consultation with County Counsel and with the assistance of bond counsel, to prepare and cause to be filed and prosecuted to completion all proceedings required for judicial validation of the contractual assessments and LACEP financing instruments.

**IT IS RECOMMENDED THAT YOUR BOARD, ACTING AS THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY:**

As contemplated in the attached Los Angeles County Public Works Financing Authority (Authority) Resolution Authorizing Certain Actions in Connection with the Issuance and Sale of Assessment Bonds, and Indenture (attachment 4):

1. Approve the issuance of the Assessment Bonds for the purpose of funding LACEP and authorize the execution and delivery of various financing documents in substantially the form presented to your Board at this public hearing; and

2. Authorize the CEO and Treasurer, or their designees, in consultation with County Counsel and with the assistance of bond counsel, to prepare and cause to be filed and prosecuted to completion all proceedings required for judicial validation of the contractual assessments and LACEP financing instruments.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The public hearing with respect to LACEP is being held to allow interested persons the opportunity to comment upon, object to, or present evidence with regard to the proposed contractual assessment program. The public hearing is required pursuant to the Act and will serve to formally establish the Program within the boundaries of the County. Following

completion of the public hearing, the County will pursue judicial action to validate the priority status of the contractual assessment lien and to establish a program of bond financing to provide funding for loans made in connection with LACEP.

As referenced in prior correspondence to your Board, LACEP is being formed in accordance with California Assembly Bill 811 (AB 811), which was approved by the State Legislature and signed by the Governor on July 21, 2008. LACEP is intended to help property owners make capital investments in distributed generation renewable energy sources and energy efficiency and water efficiency improvements (collectively, the Improvements) that will provide long-term efficiencies and reduced energy bills. The Program will provide a financing mechanism for these improvements through an assessment contract between the County and the property owner, pursuant to which the County will disburse a specified amount of funding in the form of a loan to the property owner. The property owner will repay this loan through contractual assessments to be included on the annual property tax bill. If the owner sells the subject property prior to full repayment of the loan, the obligation remains a lien on the subject property and transfers to the new property owner. The County intends to finance the Program by issuing (or causing to be issued) bonds payable from contractual assessment revenues. Participation in the Program is completely voluntary and property taxes for non-participating property owners will not be affected by the County's implementation of LACEP. In addition, the Improvements will not generally be subject to reappraisal by the County Assessor unless they are included as part of a major remodeling or renovation that results in a structure substantially equivalent to new construction.[1]

In connection with your Board's adoption of the Resolution of Intention, on April 6, 2010, ISD was directed to prepare a report (Report) detailing certain items in relation to LACEP, as required by Section 5898.22 of the Act. This Report has been filed with the Executive Office of your Board and is included as part of the public hearing. In the Report, the Program Administrator provides the following information regarding LACEP:

- A description of the territory wherein contractual assessments will be made available and a process for cities to join LACEP;
- Identification of the types of facilities, distributed generation renewable energy sources, or energy or water efficiency improvements that may be financed through the use of contractual assessments;
- A financing plan for raising capital and funding installation of the Improvements; and
- A draft assessment contract specifying the terms and conditions that will be applicable to the property owner and the County.

In addition to the above information, the Report also provides a summary of the benefits to be recognized following the implementation of LACEP. By the end of 2012, LACEP seeks to achieve energy retrofits for 15,000 single-family homes in unincorporated areas of the County, with the potential to add $150 million to the local economy. LACEP also intends to create an estimated 1,600 home energy retrofit jobs and as many as 1,000 ancillary jobs in fields such as

[1] An exception is the construction or addition of a qualified solar energy system, which is specifically excluded from reassessment under Section 73 of the California Revenue and Taxation Code.

workforce development, local manufacturing, product distribution, and research and development. These improvements to the local economy are in addition to the environmental objectives associated with LACEP and the goal of reducing the County's annual greenhouse gas emissions (attributable to its existing housing stock) by 20,000 tons of carbon dioxide annually. The benefits to both the economy and the environment are expected to increase dramatically once individual cities join LACEP, as the above forecasts were quantified solely for unincorporated areas of the County.

The program design elements of LACEP are being managed by ISD and a consultant team (Project Team) that has been engaged to assist with the development of the Program. This process is near completion and will establish the criteria for eligible projects and properties, the available rebates and incentives, and the processes for approving and funding the Improvements. The details of the program design phase are currently being presented to various stakeholders (County staff, cities, utilities, contractors, regulatory bodies) for comment and review. The Project Team is also preparing a Program Administration Plan that will include tools for administering, tracking and reporting all necessary data concerning projects, loans, and program benefits. This effort will include a number of activities, such as coordination with stakeholders involved with building efficiency and renewable resource retrofit programs, development and implementation of a marketing and outreach strategy, and implementation of Environmental Service Centers (ESCs). The ESCs will make use of electronic media, community events and strategically located venues to promote environmental programs and LACEP. To assist the public and other stakeholders in becoming acquainted with LACEP, a manned, toll-free number has been established and a website has been activated to provide Program information and updates.

Following your Board's adoption of LACEP on May 25, 2010, major elements of the program implementation phase will begin. By July 2010, a "toolkit" of information will be made available for cities to assist them in joining the Program and promoting it within their jurisdictions. Also by July, the ESCs will be provided with program materials and a deployment plan will be implemented. The goal is to formally launch LACEP in September 2010 (following the conclusion of the judicial validation) and secure participation from a majority of the 88 cities in the County. While the initial implementation phase will be limited to residential properties, a commercial program is also being developed in accordance with AB 811. Additional details regarding the implementation of the residential program, and the future design of a commercial platform, will be provided to your Board in bi-monthly reports submitted by ISD.

## IMPLEMENTATION OF STRATEGIC PLAN GOALS

By providing financing that may not otherwise be readily available to property owners, the County is promoting energy and water conservation, and the reduction of greenhouse gas emissions, which supports the County Strategic Plan Goal 1, Operational Effectiveness. This action also supports the County Strategic Plan Goal 3, Community and Municipal Services, by providing property owners a means to finance improvements that will result in utility cost-savings and improve their quality of life.

## FISCAL IMPACT/FINANCING

### Grant Funding

In October 2009, your Board accepted the County's allocation of $15.4 million in Energy Efficiency and Conservation Block Grant (EECBG) funding received under the American Recovery and Reinvestment Act. The County has identified approximately $12.2 million of this EECBG funding to support the implementation of its AB 811 program and related activities, including ESCs, public information and outreach.

In November 2009, ISD, in collaboration with the Association of Bay Area Governments, the Sacramento Municipal Utility District, and the San Diego-based California Center for Sustainable Energy, submitted a single, statewide application to the United States Department of Energy (DOE) Federal Competitive EECBG grant program for up to $75 million in funding. In April 2010, ISD was notified that its proposal was awarded a total of $30 million. Given that this grant award represents 40% of the amount requested, and that the grant is to be shared with the other regional partners, the County's share will be approximately $14 million. This grant funding, per DOE requirements, will support development and implementation of model, regional programs that demonstrate greater participation in existing building retrofits and greater energy efficiency savings. ISD has submitted correspondence requesting your Board's acceptance of this grant.

ISD has also negotiated with the California Energy Commission (CEC) to obtain additional funding support for LACEP. In prior communications to your Board, it was reported that representatives from ISD and the CEO met with CEC Commissioners and staff in early March, 2010 to discuss the County's unsuccessful grant application. Following this meeting, the CEC expressed a desire to assist the County and provide funding for its AB 811 program. The CEC has agreed to provide the County with approximately $8 million to help implement LACEP within those cities that choose to participate in the Program. When the final terms and conditions of this agreement have been negotiated, ISD will prepare separate correspondence to seek your Board's acceptance of funding from the CEC.

### Bond Financing

The County intends to finance the loans to participating property owners through a public sale of the Assessment Bonds. Pursuant to the Improvement Bond Act of 1915 and Division 10 of the California Streets and Highways Code, local governments are authorized to issue bonds secured by the voluntary contractual assessments of property owners within their jurisdictions. Proceeds from the sale of the Assessment Bonds will be used for the purpose of funding loans to property owners who have been approved for participation in LACEP. Because the Improvements are being installed on private property, however, LACEP does not currently have the ability to issue the Assessment Bonds on a tax-exempt basis. The legal requirement to issue taxable bonds will significantly increase the interest cost of borrowing to LACEP and could result in interest rates that are about 35% higher than those associated with comparable bonds sold on a tax-exempt basis. It is important to note that neither the County's credit nor its credit ratings will in any way support or guarantee the Assessment Bonds issued in connection with LACEP.

It is anticipated that LACEP will need to accumulate a certain number of approved loans before it is able to enter the public capital markets and sell bonds. This is due both to the liquidity requirements of municipal bond investors and the positive efficiencies derived from a larger bond financing. Given its experience with prior assessment districts, the Treasurer forecasts that a successful bond sale will require a minimum of $10 million of loans (e.g., 1,000 loans at an average value of $10,000 each). Prior to achieving the necessary loan volume, LACEP will pursue a number of interim financing options, including loans from large commercial banks and the private placement of securities with qualified institutional investors. In every instance, the interim financing will be secured by the contractual assessments and will be structured to allow for a "take-out" financing that involves the public sale of Assessment Bonds.

The adoption of the attached resolutions will authorize an initial issuance of the Assessment Bonds in an aggregate principal amount of not to exceed $100 million. It is anticipated that the first public issuance of bonds will be considerably less than $100 million given that LACEP may achieve economies of scale at levels as low as $10 million. The final maturity of the Assessment Bonds will be limited to the estimated useful life of the Improvements, and on average, is expected to be 15 - 20 years. The interest rate on the Assessment Bonds will be determined by conditions in the taxable bond market at the time of the sale. As referenced earlier, the taxable status of the Assessment Bonds will have a significant impact on borrowing costs and will cause these bonds to be issued at interest rates above traditional tax-exempt municipal bond rates. In the current market, it is estimated that the interest rate on taxable assessment bonds will be within a range of 7.0% to 7.5%.

The interest rate obtained on the Assessment Bonds will be the single greatest factor in determining the borrowing cost for individual property owners who choose to participate in LACEP. In addition to funding debt service payments on the Assessment Bonds, contractual assessment revenue will also be used to finance a bond reserve fund, pay costs of issuance on the bonds, and fund certain administrative costs of the Program. It is anticipated that participants in LACEP will assume an all-in borrowing cost on their assessments that is approximately 200 basis points (2.0%) higher than the yield on the Assessment Bonds. To the extent that your Board takes action to appropriate additional grant funding for the purposes of LACEP, this "spread" of 200 basis points may be narrowed and the borrowing cost to participants reduced below the current estimate of 9.0% to 9.5%. The ability to lower participant borrowing costs is significant given that average interest rates for home equity loans in Los Angeles County were approximately 8.75% as of May 1, 2010.

The goal of providing competitive loan rates to participating property owners is one of the most important near-term objectives of LACEP. Certain factors that will help to reduce this borrowing cost include potential changes to Federal and State legislation, nationwide expansion of green energy financing programs, and the development of underwriting criteria that will minimize the risk of loan default. With respect to this latter category, the Treasurer will pursue underwriting criteria, largely dictated by the bond market, to help ensure that only creditworthy individuals are approved for loans under LACEP. Certain minimum requirements that LACEP is considering are as follows:

- Property taxes and assessments are current on the property and have not been delinquent for a period of 5 years (or since the date of the most recent transfer if less than 5 years);

- Property owner is current on mortgage, has not defaulted on the deed(s) of trust, and can legally enter into the Program;
- Improvement costs are reasonable to property value and must meet a value-to-lien ratio of 10:1 or greater; and
- Property must meet a positive equity test and not exceed a maximum loan-to-value ratio.[2]

Of the four underwriting criteria listed above, the one that is likely to have the greatest influence on bond yields is the positive equity test. Investors are highly sensitive to loan-to-value ratios and may be reluctant to purchase assessment bonds that allow for loan-to-value ratios that exceed 80%. The ability to structure a contractual assessment program with strict underwriting criteria will significantly help to reduce borrowing costs to participating property owners. It will also serve to limit the number of property tax delinquencies and help mitigate the need to initiate foreclosure proceedings.

**Foreclosure Policies**

In connection with the issuance of the Assessment Bonds, the County will be required to provide a judicial foreclosure covenant that applies to all delinquent LACEP assessments. The ability to initiate foreclosure proceedings in the interest of bondholders has been an integral credit feature for assessment district and community facilities district (Mello-Roos) financings in California for more than two decades. The County has completed twenty-three (23) such financings over this period and has always included a foreclosure covenant in its commitment to bondholders. The ability to sell assessment bonds without a specific foreclosure covenant is highly uncertain in today's market, and even if feasible, would result in much higher borrowing costs for a program such as LACEP.

It is therefore expected that the County will retain the right, but not necessarily the obligation, to initiate judicial foreclosure as soon as a property owner becomes delinquent on the annual assessment associated with LACEP (a property tax bill is deemed to be delinquent if any portion of the amount due remains unpaid as of June 30th). While the County will have the ability to commence foreclosure proceedings immediately following any delinquency, the requirement to do so will only take effect if there is a corresponding impact to the security provisions of the Assessment Bonds. Specifically, the County will be obligated to pursue judicial foreclosure whenever the reserve fund established for the Assessment Bonds (the Reserve Fund) is reduced to a level below its initial funding requirement. The Reserve Fund is designed to function as a source of repayment to bondholders in the event that delinquencies prevent assessment revenue from satisfying the principal and interest obligations on the Assessment Bonds.

The incorporation of a reserve fund test in the foreclosure covenant is significant in that it can serve to reduce the need to pursue judicial foreclosure proceedings. The Reserve Fund is typically maintained at levels in excess of its initial requirement due to interest earnings that

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[2] The loan-to-value ratio is defined as the aggregate total of all liens secured by real estate mortgages divided by either the assessed value of the property or the market value as determined by a third-party appraisal.

have accumulated during the tax year. These interest earnings can be used to offset any reduction in assessment revenue that might result in a draw on the Reserve Fund. Furthermore, LACEP will have the ability to supplement the Reserve Fund from other funding sources should this be necessary in order to avoid a foreclosure judgment. For example, LACEP could choose to defer certain administrative costs and use these monies as an additional means of meeting the minimum reserve requirement.

Given the unique structure of AB 811 financings, the Treasurer expects that foreclosures will be significantly less common for LACEP than has been the case in prior assessment districts. Unlike other assessment district financings, LACEP is completely voluntary and individual property owners will have to meet a set of minimum credit requirements before being approved for participation in the Program. Furthermore, the County will have some discretion to pursue the larger delinquencies first and not to foreclose on every delinquency that contributes to or precipitates a draw on the Reserve Fund. During any judicial foreclosure proceeding, the County will seek to recover only those amounts associated with delinquent LACEP assessments and will not pursue the collection of other delinquent property taxes. Furthermore, the entire amount of the assessment will not become due upon a delinquency and there will be no acceleration of future assessment amounts.

The specific details of a LACEP foreclosure policy will be determined in connection with the sale of the Assessment Bonds to public and/or private investors. Under no circumstances will LACEP adopt a formal set of foreclosure policies without returning to your Board for approval. It is anticipated that the final recommendation to your Board will reflect policies similar to those presented in this letter and will be determined in large part by market conditions at the time of the bond sale. The Treasurer will return to the Board for specific authorization to sell each series of bonds and will provide detailed information regarding all foreclosure covenants included in the financing documents.

**FACTS AND PROVISIONS/ LEGAL REQUIREMENTS**

These proceedings are governed by Chapter 29 of Part 3 of Division 7 of the Streets and Highways Code of the State of California. Pursuant to this statute, counties and cities are authorized to assist free and willing property owners in financing improvements that are permanently fixed to residential, commercial, industrial, or other real property through a voluntary contractual assessment program.

In accordance with Section 5989.30 of the Act, as amended by AB 811, the levy and collection of assessments pursuant to Chapter 29 are valid under existing law and provide for the priority status of an AB 811 assessment lien. The County has sought and relied upon the legal opinion of its bond counsel to confirm the validity of the LACEP assessment and the priority status of contractual assessments liens. At the direction of County Counsel, LACEP will further confirm such conclusion by initiating a formal judicial validation proceeding. A judgment by the Los Angeles County Superior Court regarding the validity of LACEP, and the priority status of the ensuing liens, is of great importance to potential investors and will assist the Treasurer in pricing the Assessment Bonds.

Following your Board's adoption of the attached resolutions, and pursuant to Section 860 of the Code of Civil Procedure (Validation Statute), court proceedings will be initiated by the filing of a

formal validation complaint with the Los Angeles County Superior Court to obtain an order declaring the validity of LACEP, the priority status of the lien, and the validity of the LACEP financing instruments submitted to your Board. Under the Validation Statute, a summons, which provides a summary of the matter the County seeks to validate, will contain a notice directed to all interested parties that they may contest the legality or the validity of the matter by appearing in person and filing a written response to the complaint not later than the date specified in the summons. Matters, including constitutional challenges, must be raised within the statutory limitations period or they are waived. It is anticipated that the validation proceedings will take approximately 90-120 days to complete.

**ENVIRONMENTAL DOCUMENTATION**

On April 6, 2010, your Board found that the proposed project is exempt from the California Environmental Quality Act and determined that it will not have a significant impact on the environment.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The implementation of the Program will have no impact on current services. The Program will reduce greenhouse gases, improve energy efficiency, and create jobs within the County.

**CONCLUSION**

Upon approval of the attached resolutions, it is requested that the Executive Officer of the Board return three originally executed copies to the Chief Executive Office, Internal Services Department, and Treasurer and Tax Collector.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

Respectfully submitted,

TOM TINDALL
Director, Internal Services Department

Respectfully submitted,

MARK J. SALADINO
Treasurer and Tax Collector

Attachments

c: Assessor
County Counsel
Executive Office, Board of Supervisors
Auditor-Controller

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION WITH AND CONFIRMING THE REPORT REGARDING THE ESTABLISHMENT OF A CONTRACTUAL ASSESSMENT PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY AND WATER EFFICIENCY IMPROVEMENTS; CONFIRMING ASSESSMENTS TO BE LEVIED WITHIN THE PARAMETERS OF THE REPORT; AND TAKING CERTAIN OTHER ACTIONS

WHEREAS, on April 6, 2010, the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles, a political subdivision of the State of California (the "County"), adopted its resolution declaring its intention to order the implementation of a contractual assessment program to finance the installation of distributed generation renewable energy sources and energy and water efficiency improvements (the "Resolution of Intention") pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Act"); and

WHEREAS, the Resolution of Intention directed the Director of the Internal Services Department of the County ("Program Administrator") to prepare and file with the Board of Supervisors a report (the "Report") in accordance with Section 5898.22 of the Act and the Program Administrator has filed said Report with the Board of Supervisors; and

WHEREAS, the Resolution of Intention set the time and place for a hearing on the proposed Los Angeles County Energy Program ("LACEP") described in the Report; and

WHEREAS, the Resolution of Intention described the proposed arrangements for funding LACEP, including certain parameters for the issuance of bonds pursuant to the Act, which bonds will be repaid by voluntary contractual assessments; and

WHEREAS, on May 25, 2010, following notice duly given in accordance with law, the Board of Supervisors held a full and fair public hearing on the Report, LACEP and matters relating thereto, at which interested persons were afforded the opportunity to comment upon, object to, or present evidence with regard to the proposed LACEP or any of its particulars, including the extent of the area proposed to be included within LACEP, the terms and conditions of the draft contract with landowners (as further described herein, the "Assessment Contract") assessment, and the proposed financing provisions; and

WHEREAS, the Report sets forth each of the items required to be contained therein pursuant to Section 5898.22 of the Act; and

WHEREAS, the Board of Supervisors, having considered all oral and written testimony, desires to confirm the Report and proceed with the establishment of LACEP;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS FOLLOWS:

Section 1. The recitals set forth hereinabove are true and correct in all respects.

Section 2. The Board of Supervisors finds and determines that all actions required to be taken and all conditions required to be satisfied prior to action by the Board of Supervisors pursuant to law, including the Act, have been taken and satisfied.

Section 3. The Board of Supervisors hereby confirms the Report and approves the formation of the contractual assessment program in connection with LACEP. The Board of Supervisors also confirms the assessment for the cost of the improvements and approves the maximum annual administrative assessment of $100 to be levied within the parameters of the Report. The Board of Supervisors directs the establishment of LACEP and the implementation of LACEP as provided in the Report and in accordance with the applicable law.

Section 4. The Board of Supervisors hereby appoints and designates the Program Administrator to enter into Assessment Contracts with property owners on behalf of the County and perform the other duties and functions of the Superintendent of Streets for purposes of California Streets and Highways Code, Section 3100 *et seq*., in connection with LACEP.

Section 5. The Clerk of the Board of Supervisors is hereby directed to cause to be recorded in the office of the Program Administrator, as designated Superintendent of Streets, and in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles (the "County Recorder") a copy of the assessment diagram setting forth the boundaries of LACEP and notice of the existence and amount of each contractual assessment in connection with LACEP, which notice may be amended from time to time and shall set forth the names of all landowners who have entered into Assessment Contracts with the County and their related parcels or lots, pursuant to Section 5898.32 of the Act and Section 3100 *et seq*. of the California Streets and Highways Code.

Section 6. The Clerk of the Board of Supervisors is further directed to cause to be recorded in the office of the County Recorder, concurrently with the instrument creating the voluntary contractual assessment, a document entitled "Payment of Contractual Assessment Required" pursuant to Section 5898.24(d) of the Act. The County Recorder shall only be responsible for examining such document and determining that it contains the information required by Section 5898.24(d)(2)(A), (E) and (F) of the Act and for indexing the document under the names of the persons and entities identified in Section 5898.24(d)(2)(A) and (E) of the Act. The County Recorder shall not examine any other information contained in such document.

Section 7. The Board of Supervisors hereby designates the Auditor-Controller as the office responsible for annually preparing the current roll of assessment obligations by assessor's parcel number on property subject to a voluntary contractual assessment and directs the Program Administrator to establish procedures to promptly respond to inquiries concerning current and future estimated liability for a voluntary contractual assessment; provided that neither the Auditor-Controller, the Program Administrator nor the Board of Supervisors shall be liable if any estimate of future voluntary contractual assessment liability is inaccurate or for any failure of any seller to request notice pursuant to the Act or to provide the notice to a buyer.

Section 8. The Program Administrator is hereby authorized and directed to do all acts and things which may be required of him by this Resolution, or which may be necessary or desirable in carrying out LACEP as described in the Report, and all matters incidental thereto, including without limitation, to make clarifying changes to the Report; after consulting with County Counsel, to modify the draft application and the draft Assessment Contract set forth in the Report; and to modify the schedule of eligible improvements attached to the Report as deemed necessary or desirable after consulting with other County staff.

Section 9. This Resolution shall be effective upon its adoption by the Board of Supervisors.

The foregoing Resolution was on the 25th day of May, 2010, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By: Lachelle Smitherman
Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: Behnaz Tashakorian
Behnaz Tashakorian
Deputy County Counsel

attachment 2

# *Los Angeles County Energy Program* (LACEP)

# PROGRAM REPORT

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# I. INTRODUCTION

The Los Angeles County Energy Program ("LACEP" or "Program") is intended to help property owners make capital investments in distributed generation renewable energy sources and energy efficiency and water efficiency improvements (collectively known as "Improvements") that will provide long-term benefits and reduced energy bills. The Program will provide a financing mechanism for the Improvements through an assessment contract (the "Assessment Contract") between the County of Los Angeles (the "County") and the property owner, pursuant to which the County will disburse a specified amount to the property owner. The property owner will pay contractual assessments levied against the property through annual installments on the property tax bill. If the owner sells the subject property prior to full repayment of the assessment, the repayment obligation remains a lien on the subject property. The County intends to finance the Program in part by issuing (or causing to be issued) bonds payable from contractual assessment revenues. Participation in the Program is completely voluntary and property taxes for non-participating property owners are unaffected by the Program.

This Program Report ("Report") is prepared pursuant to Section 5898.22 of Chapter 29 of the California Streets and Highways Code ("Chapter 29") in connection the establishment of LACEP. It includes the following:

1) A map showing the boundaries of the Program - the territory within which contractual assessments are proposed to be offered. See Appendix A attached hereto.
2) A draft Assessment Contract specifying the terms and conditions that would be applicable to the property owner and the County. See Appendix C attached hereto.
3) A statement of County policies concerning voluntary contractual assessments, including all of the following:
    - Identification of the types of facilities, distributed generation renewable energy sources, or energy or water efficiency improvements that may be financed through the use of contractual assessments.
    - Identification of one or more County officials authorized to enter into voluntary contractual assessments on behalf of the County.
    - A maximum aggregate dollar amount of voluntary contractual assessments.
4) A method for establishing priority order among the requests from property owners for financing through LACEP.
5) A financing plan for raising capital.
6) A report on the results of consultations with the County Auditor-Controller concerning the additional fees, if any, that will be charged for incorporating the proposed voluntary contractual assessments into the general taxes of the County on real property, and a plan for financing the payment of those fees.

## Background

Widespread implementation of distributed generation renewable energy sources and energy efficiency and water efficiency measures in existing buildings within the County will help the State of California ("State") reach the greenhouse gas reduction goals set forth under State Assembly Bill 32 ("AB 32") and help the County and surrounding cities achieve their own targeted reductions. Participating property owners can help to achieve greenhouse gas reductions, reduce water and energy use, and save money by investing in these measures.

Chapter 29 authorizes various public agencies, including counties and cities, to designate areas within which free and willing property owners can enter into contractual assessments to finance the installation of Improvements that are permanently fixed to residential, commercial, industrial, agriculture or other real property. LACEP is the voluntary contractual assessment program developed by the County pursuant to

Chapter 29. Any assessments and liens under LACEP are levied only with the consent of free and willing owners of the property on which Improvements are to be made. The Program will provide financing for qualifying property owners within the County to install Improvements pursuant to the terms and conditions of the Assessment Contracts. Property owners will pay contractual assessments levied against their property in installments on their property tax bills. Each contractual assessment is tied directly to the applicable property and any unpaid amount at sale or other disposition of the property will remain on the property and become the responsibility of the subsequent owner.

## *Program Benefits*

LACEP is intended to provide multiple benefits, including the potential for reduced utility bills for participating property owners. LACEP also offers a means of financing Improvements with a lower equity contribution than may be required in a conventional financing and establishes a loan obligation that is attached to the property and not to the individual borrower. The financing is intended to be competitive with conventional fixed-rate loans and provide for a streamlined financing and repayment process. All available State, utility or other energy efficiency, water efficiency or renewable energy rebates, incentives and all State and federal tax credits remain available to the property owner in connection with the Improvements (subject to applicable rules, restrictions, regulations and the current status of programs administered by other such entities), unless otherwise specified.

Incorporated cities may participate in LACEP without incurring the costs of forming separate programs because LACEP's geographical boundary is coterminous with the County's boundaries and includes, subject to such cities' approval of participation in LACEP, all 88 incorporated cities. Having a single program available to all residents of the County is anticipated to increase participation by eliminating confusion for residents in finding the appropriate program. Cities may join LACEP by adopting a resolution allowing property owners in their respective jurisdictions to apply for financing and implement Improvements under LACEP.

The Program seeks to mitigate long-term regional greenhouse gas production through the reduction of energy usage from traditional utility sources and help the County and participating cities satisfy the State's greenhouse gas reduction goals under AB 32. When it was signed into law in 2006, AB 32 established statewide goals for the reduction of greenhouse gas emissions and may yet require counties and cities to adopt regional greenhouse gas emission limits similar to the statewide target of achieving 1990 levels of greenhouse gas emissions by 2020. To the extent permitted by law, the County will hold and retain any carbon credits, offsets, carbon cap allocations, or other benefits attributable to the Improvements financed by LACEP. It is the intention of the County to apply any benefits resulting from such carbon credits to the furtherance of LACEP.

LACEP has the potential to provide a significant industry shift in the region towards an energy efficiency, water efficiency and renewable energy economy. LACEP aims to be a catalyst in spurring a new "green" economy in the County by supporting energy project inspection and installation jobs, job training and workforce development, local manufacturing and distribution, research and development, and marketing and outreach.

For the first few years of the Program, American Recovery and Reinvestment Act ("ARRA") grants will be used to partially fund LACEP. By the end of the ARRA funding term in 2012, LACEP seeks to achieve the following goals:

1. Retrofit 15,000 single-family homes with a 20% average energy reduction.
2. Create 1,600 home energy retrofit jobs and 1,000 ancillary jobs.
3. Reduce annual purchased energy consumption in retrofitted homes by an aggregate 150 billion British Thermal Units and $2 million in utility charges per year.
4. Reduce the County's annual greenhouse gas emissions attributable to energy consumption in its existing housing stock by 20,000 tons of carbon dioxide.

The benefits to both the regional economy and the environment are expected to increase once individual cities join LACEP, as the above forecasts are quantified solely for unincorporated areas of the County.

### *Program Administration*

The Program will be governed by the Board of Supervisors of the County of Los Angeles, which will approve the Program parameters, approve the issuance of bonds, and delegate authority to authorized officers to administer the Program.

The Director of the County's Internal Services Department will serve as the Program Administrator and will provide day-to-day management of the Program, including design, implementation, and administration. The authority to approve and enter into individual Assessment Contracts will be delegated by the Board of Supervisors to the Program Administrator.

The County Office of Sustainability ("COS"), within the Internal Services Department, and the Program Administrator will manage all Program activities, including, but not limited to, the following:

- Marketing and community outreach;
- Energy surveys and technical support for individual projects;
- Customer service, including question and answer support to interested Program participants;
- Assisting in project development;
- Processing Program applications;
- Managing and tracking funds available for financing Improvements;
- Managing and tracking progress of the Improvements and financing therefor;
- Tracking individual and collective energy and greenhouse gas benefits;
- Integrating LACEP with other County, State, utility and regional rebate/incentive programs;
- Working and coordinating with participating cities and other jurisdictions;
- Providing information on local and regional environmental programs; and
- Reporting progress and expenditures according to mandated reporting methods applicable to appropriated funds, including amounts received pursuant to ARRA.

These activities are intended to provide quality Program design, administration and implementation for qualifying property owners who may otherwise be unable to finance and install the Improvements.

### *Program Duration*

Unless otherwise directed by the Board of Supervisors, the Program will continue as long as there is sufficient demand and funding for the Improvements.

## *II. PROGRAM REQUIREMENTS*

### *Geographic Parameters and Participating City Requirements*

LACEP is available in the unincorporated areas of the County immediately upon establishment of the Program by the Board of Supervisors. Cities within the County may join LACEP and make assessment financing available to qualifying property owners located within their city's boundaries. Anytime after the County's establishment of the Program, a city's legislative body may adopt a resolution requesting inclusion in the County Program. Pursuant to such resolution to participate in the Program, the city will find and declare that the properties in the city's incorporated area will benefit from participation. Further, the city's resolution will authorize the County to set the terms of LACEP, implement the Program, and take action necessary for financing the Improvements.

Participation in LACEP offers cities and their property owners the following advantages:

- An opportunity to save money through energy and water efficiency improvements;
- The ability to take advantage of substantial financial incentives and rebates from multiple sources;
- A financing mechanism that establishes an obligation that remains attached to the property; and
- Job creation and stimulation of the economy.

Cities may elect to withdraw from participation in LACEP by adopting a resolution terminating their involvement. If a participating city elects to withdraw from LACEP, no future assessment financing will be made in that city, but assessment obligations made previous to the city's termination will remain in effect. A map showing the Proposed Program boundaries is attached in Appendix A.

## *Eligible Owners and Properties*

All owners of improved real property within participating areas are eligible to submit an application for LACEP. Qualifying property owners may be individuals, associations, business entities, cooperatives and any owner who pays real property taxes. At this time, financing through LACEP is not available for properties that are not subject to property taxes, such as governmental entities and certain non-profit corporations.

To protect the Program from defaults and to improve access to the capital markets, property owners must meet the following minimum requirements to qualify for financing:

- Property is located within Los Angeles County, and if within the boundaries of a city, the city has adopted a resolution to join the Program;
- Applicant is the legal owner of the property;
- All legal owners of the property agree to participate in the Program;
- The property is not subject to involuntary liens as set forth in the Assessment Contract or any other Program document;
- Property taxes and assessments are current on the property and have not been delinquent for a period up to 5 years (or since the date of the most recent transfer if less than 5 years);
- Property owner certifies that he/she is not in bankruptcy and the property is not an asset in a bankruptcy proceeding;
- Property owner certifies that he/she has not declared bankruptcy within the last 10 years;
- Property owner certifies and demonstrates that he/she is current on his/her mortgage, has not defaulted on the deed(s) of trust and can legally enter into the Program;
- Improvement costs are reasonable to property value. Property must meet a minimum value-to-lien ratio[1];
- Property must meet a positive equity test and not exceed a maximum loan-to-value[2] ratio; and
- Property is subject to the appropriate jurisdiction's (County, city, or town) permitting and inspections and all other applicable federal, State, and local codes and regulations.

Property owners may submit more than one application for funding under the Program if additional Improvements are desired by the owner. However, all existing criteria must be met at the time of each new application. Valuation of the property will reflect either the assessed value or the market value as determined by using established industry approved methodologies. Costs for the scope of work will be based on contractor estimates, quotes provided by the property owner, and general industry standards. Additional due diligence or underwriting criteria may be required for the financing of large projects.

[1] Value of the property divided by the amount of the contractual assessment.
[2] Aggregate total of all liens secured by real estate mortgages on the property divided by the value of the property.

The Program Administrator may exercise discretion in determining eligibility and any additional criteria required for financing Improvements. Furthermore, the minimum eligibility requirements provided in this Report are subject to change pursuant to the future financing needs of the Program.

### *Eligible Improvements*

The Program provides property owners the opportunity to take advantage of a wide range of Improvements, subject to the following provisions:

- The Program will only finance distributed generation renewable energy sources and energy efficiency and water efficiency measures that are permanently fixed to the property.
- Property owners who elect to engage in broader retrofit projects (such as residential or nonresidential remodeling) will only be provided financing for costs associated with Improvements available under the Program.
- The Program is intended to finance the replacement of working, inefficient equipment and building materials and the installation of new equipment and building materials that reduce energy consumption (beyond that required by existing, applicable building codes), produce renewable energy, or reduce energy in connection with water usage. The Program will also make financing available for purchasers of residential, commercial or industrial properties who wish to add Improvements after transfer of title is complete.
- Property owners are responsible for the Improvements installed on their property. Property owners must address performance and other system-related issues directly with the installer in accordance with the terms of their contract with the installer. Property owners are responsible for maintenance and repair of the Improvements.

Examples of Improvements available for financing under LACEP are provided in Appendix B.

### *Eligible Costs*

Eligible costs of the Improvements include the cost of surveys and audits, permits[3] and inspections, equipment, installation from licensed, approved professionals, and follow-up inspections. Installation costs may include, but are not limited to, energy audit consultations, labor, design, drafting, engineering, permit fees, and inspection charges. A qualified contractor of the property owner's choice can be selected to complete installation of Improvements.

For each property, the Program Administrator will determine whether the estimated equipment and installation costs are reasonable. The Program Administrator will evaluate market conditions and may require the property owner to provide additional bids to determine whether costs are reasonable. While the property owner will be able to choose the contractor of his/her choice, the amount eligible for the LACEP financing may be limited to the amount deemed reasonable by the Program Administrator. Projects that exceed a certain size and dollar amount may be subject to additional review.

## *III. PROGRAM FINANCING*

### *Strategy to Raise Capital*

The County intends to raise capital for the Program through one or more of the following financing arrangements:

- Issuing or causing the issuance of bonds pursuant to Section 5898.28 of the Streets and Highways Code, the principal and interest of which will be repaid from contractual assessments;

[3] All Improvements that require permits will be required to obtain such a permit from the local jurisdiction. Final inspection will ensure that the Improvements were completed.

- Advancement of certain County funds or funds held by the County Treasurer and Tax Collector, which will be repaid through contractual assessments or reimbursed from proceeds of a debt issuance;
- Application of funds received pursuant to federal and State programs and available for LACEP financing purposes;
- Issuing debt or entering into loan arrangements to fund the Improvements; and
- Private or owner-arranged financing.

To the extent that the County issues debt, it is expected to include a debt service reserve fund in the amount sufficient to enhance the marketability of the debt. The proceeds of the debt issuance will be applied to cover the costs of Improvements, fund the debt service reserve fund, and pay costs of issuance of the debt. The County may also pursue other financing options not listed above should such options benefit the ongoing viability of the Program.

## *The Energy Fund*

The County will create a special fund, the Energy Fund ("Fund"), which will hold contractual assessments revenues received pursuant to the Assessment Contracts. Moneys in the Fund shall be used to make payments on debt issued by or on behalf of the County, fund certain administrative costs of the Program, replenish the debt service reserve fund, if required, and repay funds advanced by the County. Amounts in the Fund may also be used to finance additional Improvements secured by contractual assessments and any other reasonable activity needed to advance the Program. Payment of the contractual assessments will be made pursuant to Assessment Contracts between the property owner and the County.

## *Maximum Aggregate Contractual Assessment*

The County is authorized to enter into up to $1.0 billion in aggregate dollar amount of voluntary contractual assessments. The County will coordinate the timing and issuance of debt with the goal of providing the lowest possible interest rate to qualifying property owners and maintaining the long-term financial viability of the Program.

## *Administrative Costs/Application Fee*

The County will offer the Program as an additional County service that will help property owners achieve reductions on their energy bills and other environmental goals, while helping the County achieve its own environmental goals. The County will be responsible for:

- Development and operation of LACEP;
- Acquisition of LACEP financing;
- Overall reporting of Program status and goals, including reports to financing agencies, regulators, and stakeholders;
- Overall structure and enforcement of Program governance; and
- Management and administration of LACEP consultants needed to perform services under the Program.

Certain administrative costs are anticipated in connection with the aforementioned responsibilities. All or a portion of such administrative costs may be financed through the interest component of the contractual assessment. The Program may also assign direct fees or charges to property owners for certain services provided during the process of securing an Assessment Contract. The County will recover a portion of these initial administrative costs through a one-time application fee.

## *Maximum Disbursement Amounts*

The County will set a maximum disbursement amount for individual properties under the Assessment Contract. Where possible, the actual amount disbursed to a participating property owner pursuant to an Assessment Contract will equal the actual cost of Improvements. In the event that the final cost of Improvements exceeds the agreed upon maximum disbursement amount, the property owner will be solely responsible for the payment of excess costs incurred to complete the Improvements.

## *Single and Multiple Disbursements*

Most disbursements will be delivered to property owners in a single payment upon completion of the Improvements. However, upon Program Administrator approval, some projects may qualify for multiple disbursements, which will allow for one or more payments to be made prior to project completion.

## *Assessment Interest Rate*

The County will set a maximum interest rate for individual properties under the Assessment Contract. The final interest rate will be determined such that the total amount of contractual assessment payments (principal and interest) will be sufficient to repay the debt issued to finance the Improvements, pay the financing costs of such debt issuance, finance a debt service reserve fund with respect to such debt and fund eligible administrative costs so that the Program remains financially viable. The County Treasurer and Tax Collector, in conjunction with the Program Administrator, will determine individual contractual assessment interest rates. Under no circumstances will the interest rate exceed the maximum rate allowed by law.

## *Annual Administrative Assessment; Consultation with County Auditor-Controller*

LACEP reserves the right to charge an Annual Administrative Assessment to cover costs incurred by the County for the ordinary and necessary costs of administering the levy and collection of the contractual assessments and all other administrative costs and incidental expenses related to the debt to be issued. Separate from any application fee or administrative cost recovered through amounts paid on the contractual assessment interest rate, the Annual Administrative Assessment will be collected in the same manner as the contractual assessment and may be adjusted annually to reflect changes in costs. The County Auditor-Controller has been consulted regarding any fees resulting from the incorporation of the contractual assessments into the general taxes of the County on real property. It has been determined that any such fees shall be collected pursuant to the Annual Administrative Assessment.

## *Assessment Term*

The term of the contractual assessments will be no greater than the expected useful life of the Improvements for each individual Assessment Contract. In no event will the term of any contractual assessment exceed the maximum term allowed by law. The term of each contractual assessment will be set under the Assessment Contract.

## *Assessment Collection and Default*

The contractual assessments will be collected in the same manner and at the same time as the general property taxes of the County. The contractual assessments are subject to the same penalties, remedies, and lien priorities in the event of delinquency and default. If any contractual assessment becomes delinquent and property taxes remain unpaid, the County shall have the right to initiate foreclosure proceedings on the subject property. The LACEP foreclosure policy will be developed in connection with future financing arrangements and will take into consideration any required covenants associated with a bond issuance.

## *Rebates and Incentives*

Financing through the Program may coincide with current and future distributed generation renewable energy, energy efficiency and water efficiency financial incentives available from utility providers as well as local, State, federal, and other agencies. The value of expected rebates and incentives will be factored into the financing available to the property owner. The Program will advise, and may require that, participants apply for any and all applicable rebates and incentives available at the time of financing. References to rebates and financial incentives in this Report do not include income tax rebates.

## *Financing Process*

The process for property owners to receive financing through LACEP is designed to be helpful, transparent, and straightforward. Presented below are the general procedures for the application, funding, and repayment process:

- **Education**. Property owners may access a variety of resources to learn about the Program, the financing terms, and other details. These resources may include a Program website, service centers staffed to assist property owners, and information made available at community events.

- **Application**. Property owners may apply for a funding reservation from LACEP and pay a non-refundable application fee. Applications must include a proposed project (scope of work) and a contractor bid.

- **Review and Approval.** The Program Administrator will approve an application only after confirming that the applicant and proposed project satisfy the underwriting criteria and other Program requirements.

- **Reservation of Funds.** Once the application is approved, the Program Administrator and the property owner will enter into the Assessment Contract. At this point in time, a maximum disbursement amount, loan term, and maximum interest rate will be set. The property owner will also agree to the terms and conditions of the Assessment Contract. The Program Administrator will provide assessment information to the County and an assessment lien will be filed with the County Registrar-Recorder.

- **Installation**. The property owner will receive a notice to proceed with the Improvements. A qualified installer must complete the installation of authorized Improvements on the property within the required timeframe after receiving the notice. In some cases, the Program Administrator in his/her sole discretion may grant a time extension.

- **Evidence of Compliance/ Disbursement of Funds**. The County is not obligated to disburse funds unless and until each of the requirements set forth under the Assessment Contract are satisfied or waived by the Program Administrator. Upon satisfaction of the above, the Program Administrator will release funds to the property owner in the amount of the actual cost of Improvements, but not exceeding the maximum disbursement amount set forth in the Assessment Contact. At this time, the Program Administrator will notify the property owner of the actual interest rate and amount of the contractual assessment.

- **Repayment**. After the release of funds, the County will place the assessment on the property tax roll for the tax year immediately following the disbursement date. The property owner will be expected to pay the contractual assessment installments in the amounts and at the times specified in the Assessment Contract. Prepayment of the contractual assessment will be permitted, however, penalties may apply. Any applicable penalties resulting from prepayment will be set forth in the Assessment Contract.

### *Priority of Funding*

Applications from property owners for financing will be given priority based on the date on which the application is approved. If a request from a property owner for financing would cause LACEP to exceed the maximum amount of contractual assessments for the Program, then that application will be ineligible for financing. The Program Administrator shall retain the authority to grant exceptions to the priority status of individual applications.

### *Property Owner Financial Responsibilities*

The following types of costs are examples of those that will be the responsibility of the property owner and will not be financed through the Program:

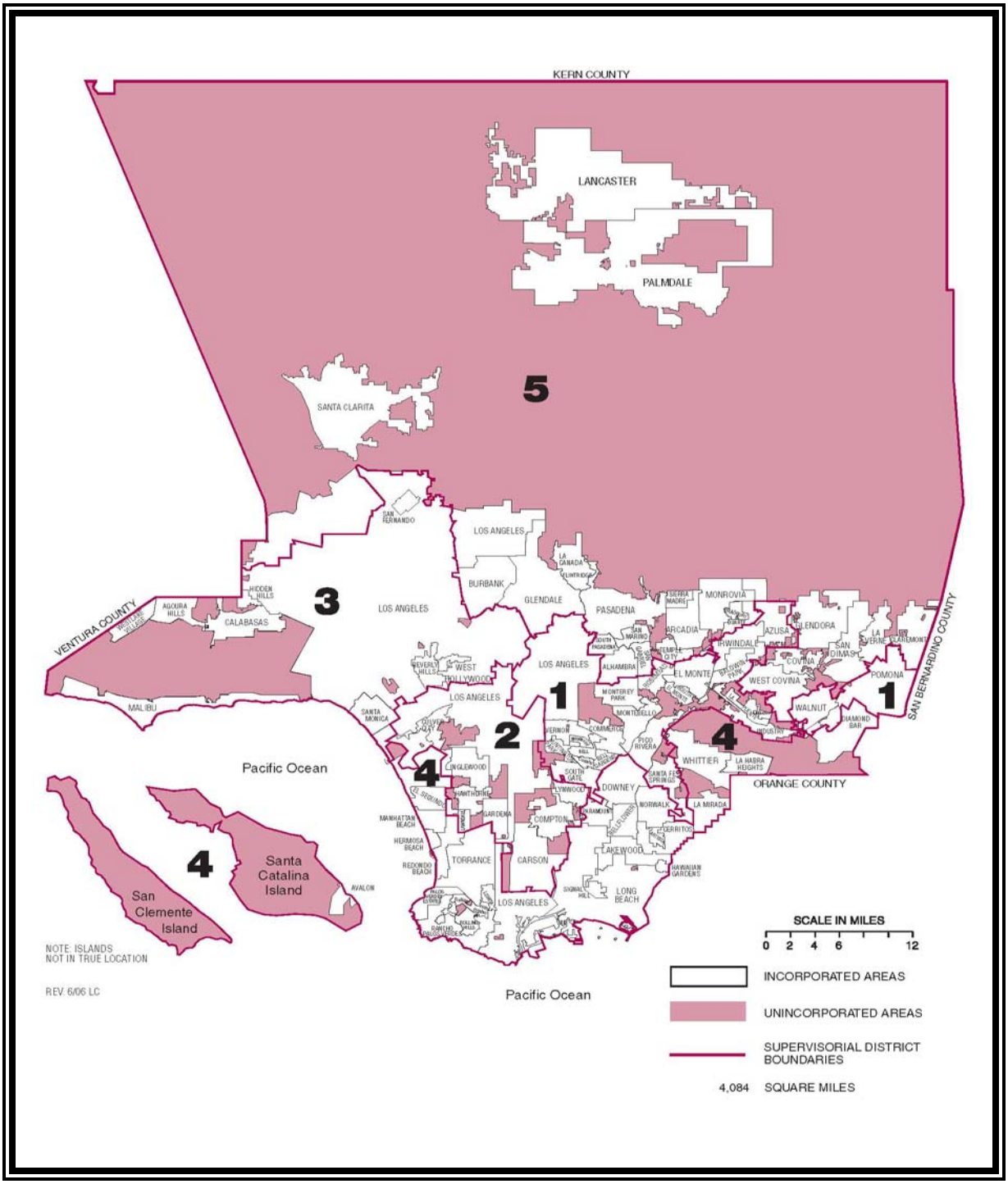
- Application fee;
- If applicable, title insurance and property insurance costs;
- Late payment fees;
- If applicable, costs associated with compliance with the California Environmental Quality Act; and
- Costs associated with repairs and maintenance of the Improvements.

## *IV. CHANGES TO THE PROGRAM REPORT*

The Program Administrator may make changes to this Report that he/she reasonably determines are necessary to clarify its provisions. Any changes made to this Report that materially modify the LACEP shall only be made after approval by the Board of Supervisors.

The Program Administrator may modify the schedule of eligible Improvements attached as Appendix B and the draft Assessment Contract attached as Appendix C as deemed necessary or desirable to effectuate the intent of the Program.

# *Appendix A: Area Map*



# Appendix B: Eligible Improvements

Eligible improvements will include, but are not limited to, the following types of Improvements, subject to approval by the Program Administrator:

### *Energy Efficiency Improvements*

- Air sealing
- Duct sealing and weather stripping
- Attic, duct, floor, roof and wall insulation
- Hot water system insulation
- Fans (Bathroom, ceiling, whole house)
- Energy efficient pool pumps
- HVAC systems
- Programmable thermostats and energy management systems
- Light fixtures
- Energy Star cool roof
- Radiant barriers
- Windows, doors, skylights
- Window film

### *Water Efficiency Improvements*

- Hot water heater
- On-demand water recirculation control pump
- High-efficiency toilets and urinals
- Showerheads and aerators
- Smart irrigation/ Water efficient landscaping
- Rainwater harvesting system
- Grey water system

### *Distributed Generation Renewable Energy Improvements*

- Solar hot water heating systems
- Solar thermal installation
- Solar space heating
- Photovoltaic systems
- Wind energy systems
- Fuel cell power systems

## *Appendix C: Draft Assessment Contract*

(See attached.)

**HD&W LLP – 5/10/10 Draft**

**LOS ANGELES COUNTY ENERGY PROGRAM**

**ASSESSMENT CONTRACT**

This Assessment Contract (this "Contract") is made and entered into as of this _____ day of _____, 20__, by and between the COUNTY OF LOS ANGELES, a political subdivision of the State of California (the "County"), and _____ and _____ (collectively, the "Owner").

WHEREAS, the County has established the Los Angeles County Energy Program ("LACEP") pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Act"), in connection with which the County may levy assessments against developed properties in the County, with the free and willing consent of the owners of the properties, to finance the acquisition and construction on and installation in the assessed properties of certain qualifying renewable energy systems and energy and water efficiency improvements.

WHEREAS, the Owner has reviewed the Program participant handbook attached as Exhibit A hereto (the "Participant Handbook") and submitted an application to participate in LACEP (the "Application"; together with Participant Handbook and this Contract, the "Contract Documents") to finance the acquisition, construction and installation of the renewable energy systems, energy efficient improvements and/or water efficiency improvements described in Exhibit B attached hereto (the "Improvements") on that certain real property of the Owner described in Exhibit C attached hereto (the "Property") and the County has approved such Application.

WHEREAS, the County may fund LACEP through a number of financing mechanisms, including with proceeds of bonds to be issued by the County, with proceeds of loans derived from bonds issued by the Los Angeles County Public Works Financing Authority (the "Authority") and from amounts to be advanced through available funds of the County.

WHEREAS, the County wishes to provide for the terms and conditions pursuant to which the Owner will participate in LACEP and pay assessments to finance the Improvements hereunder.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. **Financing Terms**

(a) Disbursement Amount; Maximum Disbursement Amount. Subject to the conditions set forth herein, the County agrees to disburse moneys to the Owner in the amount of the actual cost of the Improvements (the "Disbursement Amount"); provided the Disbursement

Amount shall not exceed the maximum amount set forth in Exhibit B hereto (the "Maximum Disbursement"). LACEP Program Administrator (the "Program Administrator") shall determine the Disbursement Amount on the basis of the best available written evidence of the actual cost of the Improvements and in the exercise of the Program Administrator's reasonable judgment. The Owner agrees to complete the Improvements. The Owner agrees to pay for and shall be solely responsible for the payment of all costs to complete the Improvements described in the Application which exceed the Maximum Disbursement.

(b) Repayment by Owner.

(i) Assessment. In consideration of the disbursement of the Disbursement Amount, the Owner shall pay to the County an amount equal to the Disbursement Amount, certain financing costs, including any capitalized LACEP administrative expenses, and the interest accrued thereon. Such amounts shall be repaid by the Owner to the County by the payment of an aggregate assessment levied against the Property pursuant to Section 5898.30 of the Streets and Highway Code of the State of California (the "Assessment") without deduction or offset for any amounts the Owner may claim due to it by the County, all as set forth in Exhibit B attached hereto.

(ii) Interest on Assessment. Interest shall be payable in installments, computed on the basis of a 360-day year, and shall accrue on the unpaid Assessment from [the date of this contract[1]][the date any portion of the Disbursement Amount is disbursed to the Owner] at the rate determined by the Program Administrator in his/her sole discretion at the time of disbursement or final disbursement, as applicable, of the Disbursement Amount. The maximum interest rate applicable to the unpaid Assessment and the interest installments therefor are set forth in Exhibit B hereto. The Program Administrator will give notice to the Owner of the interest rate applicable to the unpaid Assessment and the related interest installments as soon as practicable after its determination, which notice will be substantially in the form attached as Exhibit D hereto (the "Notice of Interest Rate and Payment Schedule").

(iii) Annual Administrative Assessment. The Owner shall pay to the County, without deduction or offset, an annual assessment levied against the Property to pay costs incurred by the County in connection with the administration and collection of the Assessment, the administration or registration of any associated bonds, securities or other financing arrangements, and the administration of any reserve fund or other related funds (the "Annual Administrative Assessment"). The Annual Administrative Assessment shall not exceed the amount set forth in Exhibit B hereto and may be changed from time to time by the Program Administrator, in his sole discretion, subject to the maximum Annual Administrative Assessment.

(iv) Financing Costs in the Event of Noncompletion. If the Owner fails to install the Improvements in compliance with LACEP requirements following execution of this Assessment Contract, the Owner shall pay for all expenses incurred by the County

[1] In the case of a County financing with accrued interest.

or any of its agents in connection with levying or removing the assessments hereunder and financing the Improvements, including costs relating to the redemption of bonds issued to finance the Improvements.

(c) Prepayment. The Owner may prepay the Assessment in whole and in part by paying all or a part of the principal amount owing on the Assessment, plus the applicable prepayment premium set forth in Exhibit B hereto, and accrued interest. Interest on the Assessment may accrue until the next available redemption date for any bonds or other evidences of indebtedness, or other financial arrangements entered into by the County pursuant to LACEP which financed the Assessment in whole or in part. Such redemption date shall not exceed __ (__) days from the date of prepayment of the Assessment. The Owner shall notify the Program Administrator in writing of the Owner's determination to prepay the Assessment at least ___ (__) business days prior to the date the Owner intends to prepay the Assessment.

(d) Term of Contract. The term of this Contract shall be as set forth in Exhibit B hereto, commencing upon the execution hereof and ending on the date the Assessment and any applicable penalties, costs, fees, and charges have been paid in full; provided, however, the estimated payment schedule may be adjusted as provided in this Section 1. The initial amount of each Assessment and Annual Administrative Assessment installment that will be levied is set forth in Exhibit B attached hereto. The amount of each Assessment and Annual Administrative Assessment installment that will be levied each year, as adjusted to reflect the applicable interest rate determined by the Program Administrator but excluding any penalties that may accrue, is set forth in Exhibit D attached hereto.

2. **Lien of Assessment and Annual Administrative Assessment; Special Benefit**.

(a) Lien Against Property. The execution of this Contract by the parties constitutes the levy of the Assessment and the Annual Administrative Assessment by the Board of Supervisors against the Property without any further action required by the parties. The Owner consents to the levy of the Assessment and the Annual Administrative Assessment, including each installment thereof and any interest and penalties that accrue with respect thereto, on and recordation of a lien against the Property and agrees that, upon the execution of this Contract by the parties, the Property shall be subject to the Assessment and the Annual Administrative Assessment in accordance with and pursuant to this Contract, the Act and applicable law.

(b) Notice of Assessment; Notice of Payment of Contractual Assessment Required. Upon execution of this Contract, the County will execute and cause to be recorded in the Office of the Registrar-Recorder/County Clerk a notice of assessment substantially in the form attached as Exhibit E hereto (the "Notice of Assessment") and a document entitled "Payment of Contractual Assessment Required" substantially in the form attached as Exhibit F hereto (the "Notice of Payment of Contractual Assessment Required"). Upon recordation of the Notice of Assessment in the Office of the Registrar-Recorder/County Clerk, the Assessment and the Annual Administrative Assessment, including each installment thereof and any interest and penalties that accrue with respect to the Assessment and the Annual Administrative Assessment, shall constitute a lien upon the Property until paid. The Notice of Assessment and Notice of Payment of Contractual Assessment Required, as recorded, shall initially reflect the Assessment as set forth in Exhibit B. Following the County's final disbursement of the Disbursement

Amount pursuant to Section 6 hereof, the Assessment shall equal the amount set forth in Exhibit D and the Notice of Assessment and Notice of Payment of Contractual Assessment Required will be supplemented accordingly.

(c) Priority of Lien. The lien of the Assessment and the Annual Administrative Assessment shall be coequal to and independent of the lien for general taxes and prior and superior to all liens, claims and encumbrances on or against the Property except (i) the lien for general taxes or ad valorem assessments in the nature of and collected as taxes levied by the State of California or any county, city, special district or other local agency, (ii) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of the Assessment and the Annual Administrative Assessment, (iii) easements constituting servitudes upon or burdens to the Property, (iv) water rights, the record title to which is held separately from the title to the Property and (v) restrictions of record.

(d) Special Benefit to Property.

(i) Acknowledgement. The Owner expressly acknowledges that the Improvements confer a special benefit to the Property in an amount at least equal to the Assessment.

(ii) Waiver of Provisions Other Than Those of the Act. The Owner expressly waives to the fullest extent permitted by law the notice, protest and hearing procedures and provisions of any applicable law other than the Act with respect to the levy and collection of the Assessment and the Annual Administrative Assessment, as described in Section 2 and Section 3, respectively, hereof.

3. **Collection of Amounts Due; Failure to Pay**.

(a) Collection through Property Tax Bill. Annual installments of the Assessment and the Annual Administrative Assessment shall be collected on the property tax bill pertaining to the Property. The annual proportion of the Assessment and the Annual Administrative Assessment coming due in any year shall be payable in the same manner, at the same time and in the same installments as the general taxes of the County on real property are payable, and the assessment installments shall be payable and become delinquent at the same times and the same proportionate amounts and shall bear the same penalties and interest after delinquency, and be subject to the same provisions for redemption and sale, as the general taxes on real property of the County.

(b) Failure to Pay. Failure to pay any installment of the Assessment and the Annual Administrative Assessment, including interest and penalties with respect thereto, shall result in the accrual of penalties and interest on the amounts due and may result in the foreclosure of the lien of the Assessment and the Annual Administrative Assessment, as described in Section 13(e) hereof and provided by law. Except as provided in Government Code Section 53936, the liens of the Assessment and the Annual Administrative Assessment are not subject to extinguishment by judicial foreclosure or the sale of the Property on account of the nonpayment of any taxes.

4. **Commencement and Completion of Improvements**.

(a) Consent and Authorization. Upon the availability of funding under LACEP, the Program Administrator will give to the Owner a notice to proceed in the form of Exhibit G hereto (the "Notice to Proceed"), which notice shall constitute consent and authorization pursuant to Section 5898.21 of the Act for the Owner to purchase directly the related equipment and materials for the Improvements and to contract directly for the construction on and/or installation in the Property of the Improvements. The Owner bears the risk of any costs of the Improvements incurred prior to receipt of the Notice to Proceed. The Owner may perform the construction and/or installation on the Property provided that the Owner is deemed a qualified installer by the Program Administrator in his/her sole discretion in accordance with the Participant Handbook.

(b) Date of Completion of the Improvements. Subject to Section 13(g) hereof, the Owner agrees to complete installation of the Improvements no later than __ days after the date of the Notice to Proceed of this Contract. The Owner and the Program Administrator may agree to an extension of this completion date for good cause shown, but in no event shall the completion date be more than one year from the date of the Notice to Proceed.

5. **Use of Proceeds**.

The Owner shall use the Disbursement Amount for the sole purpose of paying for the reasonable costs and expenses of the Improvements on the Property, and in connection therewith the Owner shall comply with all requirements set forth in the Contract Documents.

6. **Conditions Precedent to Disbursement of Funds**

(a) Conditions Precedent to Disbursement of Funds. Notwithstanding anything to the contrary contained herein, the County shall have no obligation to disburse funds to the Owner unless and until each of the requirements set forth under "_____" of the Participant Handbook and the following conditions are satisfied, or any such requirement or condition is expressly waived by the Program Administrator:

(i) With respect to the initial disbursement:

(A) The Program Administrator shall have received a written request to disburse the Disbursement Amount.

(B) The Owner has executed and delivered to the Program Administrator the Contract Documents and such other declarations, certifications, documents or instruments pertaining to the Disbursement Amount or the Improvements as the Program Administrator may require.

(C) The Owner will, within _____ (__) days of presentation by the Program Administrator, execute any and all documents or instruments required by the Contract Documents in connection with the disbursement of funds to the Owner.

(D) If the Property is a commercial property, the Owner shall have provided all applicable lenders the Notice of Proposed Contractual Assessment set forth as Exhibit H to this Contract and received an executed copy of the Certificate of Lender set forth as Exhibit I to this contract. In addition, the Owner shall have received from the Program Administrator, at the expense of the Owner, a determination that the Improvements to be financed hereunder (a) are within one or more classes of projects exempt from the California Environmental Quality Act (commencing with Section 21000 et seq. of the California Public Resources Code, "CEQA") pursuant to Sections 15301, 15302 or 15303 of the California Public Resources Code, (b) are the appropriate subject of a negative declaration pursuant to CEQA, in which case a negative declaration to that effect will be adopted pursuant to Section 21080 et seq. of the California Public Resources Code and Section 15070 et seq. of the California Code of Regulations, or (c), is the appropriate subject of an environmental impact report pursuant to CEQA, in which case an environmental impact report shall be prepared and certified and amounts hereunder shall be disbursed only if the Improvements are subsequently approved in accordance with CEQA.

(ii) With respect to the second and final disbursement:

(A) The Program Administrator shall have received a copy of a finalized permit issued by the building inspection department of the jurisdiction within which the Property is located, if applicable.

(B) The Program Administrator shall have received a written certification from the Owner and the contractor(s) that installed or constructed the Improvements, if any, stating that the Improvements for which disbursement is requested is complete and setting forth the actual cost of the Improvements (exclusive of any cost attributable to labor performed by the Owner pursuant to the terms and conditions of this Contract and the other Contract Documents). Such certification shall be in form and substance acceptable to the Program Administrator.

(C) If an inspection is required, an inspection of the Improvements and a determination by the applicable agency, authority or entity that the Improvements have been completed in full compliance with the requirements of applicable law or that any noncompliance has been waived.

(D) No stop payment or mechanic's lien notices pertaining to the Improvements has been filed and remain in effect as of the date of disbursement of the Disbursement Amount.

(E) [If the Property is a commercial property, the Program Administrator shall have received a title insurance policy in form and substance acceptable to the Program Administrator in the Disbursement Amount and insuring the lien of the Assessment.]

(iii) With respect to each of disbursement:

(A) As of the date of disbursement of the Disbursement Amount the representations of the Owner contained in the Contract Documents are true and correct, and no Default (as defined in Section 13(a) below) shall have occurred and be continuing.

(B) The Program Administrator shall have received such other documents and instruments as the Program Administrator may require, including but not limited to, if applicable, the sworn statements of contractor(s) or the Owner, if construction and/or installation is performed by the Owner in his/her capacity as a qualified installer pursuant to the Contract Documents, and releases or waivers of lien, all in compliance with the requirements of applicable law.

(iv) If there shall be a single disbursement under this Assessment Contract, all conditions under (i) through (iii) shall be satisfied by the Owner or waived by the Program Administrator prior to disbursement.

(b) Disbursement by County. Upon satisfaction or waiver of the conditions described in paragraph (a), above, the County will disburse funds to the Owner [as soon as practicable.] The Owner expressly waives the 30-day payment period provided by Section 10403 of the Streets and Highways Code.

7. **Representations and Warranties of the Owner**.

For purposes of entering into this Contract, the County has relied upon the declarations, warranties and covenants of the Owner in this Contract and in the Application, which are incorporated into this Contract as if fully set forth herein. The Owner promises that each representation and warranty set forth herein is true, accurate and complete as of the date of this Contract. By accepting the disbursement, the Owner shall be deemed to have reaffirmed each and every representation and warranty made by the Owner in this Contract and in the Application as of the date of disbursement. If the Owner is comprised of the trustees of a trust, the following representations shall also pertain to the trustor(s) of the trust.

(a) Formation; Authority. If the Owner is anything other than a natural person, it has complied with all laws and regulations concerning its organization, its existence and the transaction of its business, and is in good standing in each State in which it conducts its business. The Owner is the owner of the Property and is authorized to execute, deliver and perform its obligations under the Contract Documents, and all other documents and instruments delivered by the Owner to the County in connection therewith. The Contract Documents have been duly executed and delivered by the Owner and are valid and binding upon and enforceable against the

Owner in accordance with their terms, and no consent or approval of any third party, which has not been previously obtained by the Owner is required for the Owner's execution thereof or the performance of its obligations contained therein.

(b) Compliance with Law. Neither the Owner nor the Property is in violation of, and the terms and provisions of the Contract Documents do not conflict with, any regulation or ordinance, any order of any court or governmental entity, or any building restrictions or governmental requirements affecting the Owner or the Property.

(c) No Violation. The terms and provisions of the Contract Documents, the execution and delivery of the Contract Documents by the Owner, and the performance by the Owner of its obligations contained in the Contract, will not and do not conflict with or result in a breach of or a default under any of the terms or provisions of any other agreement, contract, covenant or security instrument by which the Owner or the Property is bound.

(d) Other Information. All reports, documents, instruments, information and forms of evidence which have been delivered to the County in connection with the Owner's application for LACEP funding are accurate, correct and sufficiently complete to give the County true and accurate knowledge of their subject matter.

(e) Litigation. There is no litigation, tax claims, actions, proceedings, investigations or other disputes pending or threatened against the Owner or the Property which may impair the Owner's ability to perform its obligations hereunder, or which may impair the County's ability to levy and collect the Assessment and the Annual Administrative Assessment.

(f) No Event of Default. There is no event which is, or with notice or lapse of time or both would be, a Default under this Contract.

8. **Covenants of the Owner**.

The Owner agrees and covenants to each of the following:

(a) Installation and Maintenance of Improvements. The Owner shall, or shall cause its contractor(s) to, promptly commence the Improvements and diligently continue to completion in a good and workmanlike manner and in accordance with sound construction and installation practices. The Owner shall maintain the Improvements in good condition and repair.

(b) Reports. If the Disbursement Amount is disbursed in more than one installment, the Owner agrees, upon the request of the Program Administrator, to promptly deliver or cause to be promptly delivered to the Program Administrator a written status report of the Improvements, including the acquisition and installation thereof.

(c) Compliance with Law and Agreements. The Owner shall complete all Improvements, or cause the Improvements to be completed, in conformity with all applicable laws, including all applicable federal, state, and local occupation, safety and health laws, rules, regulations, standards, and recorded instruments, covenants or agreements affecting the Property. The Owner shall comply with and keep in effect all permits, licenses, and approvals required to complete installation of the Improvements.

(d) Completion of Work. If the Disbursement Amount is disbursed in more than one installment, subject to any acceptable excuse for failure to complete the Improvements pursuant to Section 13(g) hereof, the Owner shall complete the Improvements within _____ [time period] of the initial disbursement of the Disbursement Amount.

(e) Site Visits; Utility Records; Surveys. For purposes of examining the workmanship of the Improvements, observing the quality of the Improvements and otherwise evaluating LACEP, the Owner grants the County, its agents and representatives, including without limitation the Program Administrator, the right to enter and visit the Property at any reasonable time, after giving reasonable notice to the Owner. For purposes of examining savings derived from the Improvements and other satisfying the requirements relating to grant moneys used to fund LACEP, the Owner shall also allow the County to examine and copy records and other documents of the Owner which relate to the Improvements, including utility records of the Owner and execute any consents, waivers or similar documents required by utility providers in connection therewith through the term of this Contract. The Owner also agrees to participate in any and all surveys conducted in connection with LACEP. The County is under no duty to visit the Property, observe any aspects of the Improvements or examine any records, and the County shall not incur any obligation or liability by reason of not making any such visit or examination. Any site visit, observation or examination by the County shall be solely for the purposes of protecting the County's rights under the Contract Documents.

(f) Protection Against Lien Claims. The Owner shall promptly pay or otherwise discharge any claims and liens for labor done and materials and services furnished to the Property in connection with the Improvements. The Owner shall have the right to contest in good faith any claim or lien, provided that it does so diligently and without delay in completing the Improvements.

(g) Notice to Successors in Interest. The Owner agrees to provide written notice to any subsequent purchaser of the Property that the Property is subject to an LACEP assessment lien, and to provide any subsequent purchaser a copy of this Contract.

(h) Insurance. [If the Maximum Disbursement exceeds $_____,] the Owner shall provide, maintain and keep in force at all times until the Improvements are completed, builder's all risk property damage insurance on the Property, with a policy limit equal to the amount of the Maximum Disbursement.

(i) Notices. The Owner shall promptly notify the County in writing of any Default under this Contract, or any event which, with notice or lapse of time or both, would constitute a Default hereunder.

9. **Mechanic's Lien and Stop Notices**.

In the event of the filing of a stop notice or the recording of a mechanic's lien pursuant to applicable law of the State of California and relating to the Improvements, the Program Administrator may refuse to disburse any funds to the Owner, and, in the event the Owner fails to furnish the Program Administrator a bond causing such notice or lien to be released within __ (__) days of notice from the Program Administrator to do so, such failure shall at the option of

the County constitute a default under the terms of this Contract. The Owner shall promptly deliver to the Program Administrator copies of all such notices or liens.

10. **Responsibilities of the Owner; Indemnification**.

(a) Financing by County; No Responsibility for Improvements. The Owner acknowledges that the County has established LACEP solely for the purpose of assisting the owners of property in the County with the financing of the acquisition, construction, and installation of qualifying renewable energy systems and energy and water efficiency improvements. LACEP is a financing program only. None of the County, the Authority (if bonds are issued by the Authority), their officials, agents, employees, attorneys and representatives, the Program Administrator, or LACEP staff is responsible for selection, management or supervision of the Improvements or of the Improvements' performance.

(b) Indemnification. The Owner shall indemnify, defend, protect, and hold harmless the County, the Authority (if bonds are issued by the Authority) and any and all officials, agents, employees, attorneys and representatives of the County and the Authority (collectively, the "Indemnified Parties") and, if the Property is located in an incorporated area, such incorporated city and any and all officials, agents, employees, attorneys and representatives of such city,(the "City Parties"), from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with, (i) the Contract Documents, (ii) disbursement of the Disbursement Amount, (iii) the Improvements, (iv) any breach or Default by the Owner under the Contract Documents, (v) the levy and collection of the Assessment and the Annual Administrative Assessment, (vi) the imposition of the lien of the Assessment and the Annual Administrative Assessment, (vii) any breach or failure of the Owner or its contractor(s) or agents to comply with all applicable laws, including all applicable federal, state and local occupation, safety and health laws, rules, regulations and standards, in connection with the acquisition, installation or completion of the Improvements, and (viii) any other fact, circumstance or event related to the County's payment of the Disbursement Amount to the Owner or the Owner's performance of its obligations under the Contract Documents (collectively, the "Liabilities"), regardless of whether such Liabilities shall accrue or are discovered before or after the Disbursement.

(c) Survival of Indemnification. The indemnity obligations described in Section 10(b) shall survive the disbursement of funds to the Owner, the payment of the Assessment in full, the transfer or sale of the Property by the Owner and the termination of this Contract.

11. **Waiver of Claims**.

For and in consideration of the County's execution and delivery of this Contract, the Owner, for itself and for its successors-in-interest to the Property and for any one claiming by, through, or under the Owner, hereby waives the right to recover from and fully and irrevocably releases the Indemnified Parties and, if the Property is located in an incorporated area, the City Parties, from any and all claims, obligations, liabilities, causes of action, or damages, including attorneys' fees and court costs, that the Owner may now have or hereafter acquire against any of

the Indemnified Parties and the City Parties and accruing from or related to (i) the Contract Documents, (ii) the disbursement of any of the Disbursement Amount, including any amounts advanced hereunder, (iii) the levy and collection of the Assessment and the Annual Administrative Assessment, (iv) the imposition of the lien of the Assessment, (v) the issuance and sale of any bonds or other evidences of indebtedness, or other financial arrangements entered into by the County pursuant to LACEP, (vi) the performance of the Improvements, (vii) the Improvements, (viii) any damage to or diminution in value of the Property that may result from construction or installation of the Improvements, (ix) any personal injury or death that may result from the construction or installation of the Improvements, (x) the selection of manufacturer(s), dealer(s), supplier(s), contractor(s) and/or installer(s), and their action or inaction with respect to the Improvements, (xi) the merchantability and fitness for any particular purpose, use or application of the Improvements, (xii) the amount of energy savings resulting from the Improvements, (xiii) the workmanship of any third parties, and (xiv) any other matter with respect to LACEP. This release includes claims, obligations, liabilities, causes of action, and damages of which the Owner is not presently aware or which the Owner does not suspect to exist which, if known by the Owner, would materially affect the Owner's release of the Indemnified Parties and the City Parties.

OWNER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 ("SECTION 1542"), WHICH IS SET FORTH BELOW:

> "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 0F EXECUTING THE RELEASE, WHICH KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, OWNER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Owner's Initials: _____

The waivers and releases by the Owner contained in this Section 11 shall survive the disbursement of the Disbursement Amount, the payment of the Assessment in full, the transfer or sale of the Property by the Owner, and the termination of this Contract.

12. **Further Assurances**.

The Owner shall execute any further documents or instruments consistent with the terms of this Contract, including documents and instruments in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Contract and disbursing funds to the Owner.

13. **Events of Default**.

(a) Default. Subject to the further provisions of this Section 13, the failure of any of the Owner's representations or warranties to be correct in all material respects, or the failure or delay by the Owner to perform any of its obligations under the terms or provisions of the Contract Documents, shall constitute a default hereunder ("Default").

(b) Notice of Default. Upon the occurrence of a Default, prior to exercising any remedies under the Contract Documents or the Act, the County shall give written notice of default to the Owner. Delay in giving such notice shall not constitute a waiver of any Default. The Owner must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence, but in any event, within the time set forth herein.

(c) Cure Period for Monetary Default. If the Owner fails to timely pay any installment of the Assessment or the Annual Administrative Assessment, the Owner shall have a period of _____ (__) days after notice is given pursuant to paragraph (b) above within which to cure such default. Following such _____ (__) day period, the County in its sole discretion may exercise any and all of its available remedies, including its right to foreclose the lien of the Assessment or the Annual Administrative Assessment pursuant to applicable law.

(d) Cure Period for Non-Monetary Default. If a non-monetary Default occurs and such Default is reasonably capable of being cured within _____ (__) days, the Owner shall have such period to effect a cure prior to exercise of remedies by the County under the Contract Documents or the Act. If the Default is such that it is reasonably capable of being cured but not within such _____ (__) day period and the Owner (i) initiates corrective action within such _____ (__) day period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then the County in its sole discretion may elect to grant the Owner such additional time as is reasonably necessary to cure the Default prior to exercise of any remedies by the County. The foregoing notwithstanding, in no event shall the County be precluded from exercising any of its remedies if the Default is reasonably expected to result in the foreclosure or forfeiture of the Property, or if the Default is not cured within _____ (__) days after the first notice of Default is given.

(e) Remedies Upon Default. Subject to the provisions of paragraphs (b), (c) and (d) above, if any Default occurs the County may exercise any or all of the rights and remedies available to it under applicable law, at equity, or as otherwise provided herein. If no disbursement has occurred hereunder, the County may elect to terminate this Contract and, except as otherwise expressly provided herein, the parties have no further obligations or rights hereunder. If the Disbursement Amount has been disbursed in whole or in part, the County may terminate its obligations to make any further disbursement of the Disbursement Amount and exercise any or all of the rights and remedies available to it under this Contract and applicable law. As a cumulative remedy, if any installment of the Assessment and the Annual Administrative Assessment, together with any penalties, costs, fees, and other charges, accruing under applicable taxation provisions are not paid when due, the Board of Supervisors or its designee may order that the same be collected by an action brought in a court of competent jurisdiction to foreclose the lien of the Assessment and the Annual Administrative Assessment to

the extent permitted, and in the manner provided by, applicable law. Any and all costs and expenses incurred by the County in pursuing its remedies hereunder shall be additional indebtedness of the Owner to the County.

(f) Remedies Cumulative. Except as otherwise expressly stated in this Contract or as otherwise provided by applicable law, the rights and remedies of the County are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise by the County, at the same time or different times, of any other rights or remedies for the same Default or any other Default. No failure or delay by the County in asserting any of its rights and remedies as to any Default shall operate as a waiver of any Default or of any such rights or remedies, or deprive the County of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

(g) Force Majeure. Performance of the covenants and conditions imposed upon the Owner hereunder with respect to the commencement and completion of the Improvements shall be excused while and to the extent that, the Owner, through no fault or negligence of its own, is prevented from complying therewith by war, riots, strikes, lockouts, action of the elements, accidents, or acts of God beyond the reasonable control of the Owner; provided, however, that as soon as the cause or event preventing compliance is removed or ceases to exist the obligations shall be restored to full force and effect and the Owner shall immediately resume installation of the Improvements.

14. **Severability**.

Each and every provision of this Contract is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Contract or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Contract, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Contract shall, be valid and shall be enforced to the extent permitted by law.

15. **Notices**.

All notices and demands shall be given in writing by first class mail, postage prepaid, or by personal delivery (by recognized courier service). Notices shall be considered given upon the earlier of (a) personal delivery or (b) __ (__) business days following deposit in the United States mail, postage prepaid. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

To the County: _____
_____
_____
Attention: Program Administrator

To the Owner: _____
_____

_____
Attention: _____

Notwithstanding anything set forth above, after disbursement of funds to the Owner, all notices regarding the assessment shall be sent only as provided by the laws of the State of California.

16. **No Waiver**.

No disbursement of the Disbursement Amount based upon inadequate or incorrect information shall constitute a waiver of the right of the County to receive a refund thereof from the Owner. No disbursement of any portion of the Disbursement Amount shall constitute a waiver of any conditions to the County's obligation to make further disbursements. No waiver by the County of any failure by the Owner to comply with any provision of this Contract shall in any way preclude the County from thereafter declaring such failure by the Owner a Default hereunder or be deemed a waiver of any other or subsequent Default.

17. **Governing Law**.

This Contract shall be construed and governed in accordance with the laws of the State of California.

18. **Assignment by the County**.

The County, at its option, may (i) assign any or all of its rights and obligations under this Contract, and (ii) pledge and assign its right to receive the Assessment and the Annual Administrative Assessment, and any other payments due to the County hereunder, without obtaining the consent of the Owner.

19. **Assignment by Owner Prohibited**.

The Owner may sell, transfer, rent or otherwise dispose of all or a portion of its interests in the Property so long as the Assessment and the Annual Administrative Assessment, including each installment thereof and the interest and penalties thereon, shall constitute a lien against the Property until the same is paid in full. All other dispositions of all or a portion of the Owner's rights and obligations under this Contract are subject to the prior express written consent of the County, which consent may be granted or withheld in the sole and absolute discretion of the County.

20. **Carbon Credits**.

The Owner agrees that any carbon credits attributable to the Improvements shall be held on behalf of LACEP by the County.

21. **Entire Agreement; Amendment.**

This Contract, together with the other Contract Documents, is the entire agreement between the parties. Any other agreement related to the Improvements, and any amendment to this Contract, must be signed in writing by both parties.

22. **Natural Persons**.

If the Owner of the Property consists of more than one natural person, the obligations hereunder of all the owners shall be joint and several.

23. **Counterparts**.

This Contract may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

24. **Special Termination**.

Notwithstanding anything to the contrary contained herein, this Contract shall terminate and be of no further force or effect if the Owner has submitted to the Program Administrator a notice of its decision to cancel this transaction in the form of the Notice of Cancellation attached as Exhibit J hereto, which notice shall be delivered to the County pursuant to Section 15 hereof no less than _____ (__) days prior to the disbursement of the Disbursement Amount.

25. **No Third Party Beneficiary Rights**.

This Contract is entered into for the sole benefit of the Owner and the County and, subject to the provisions of Sections 10, 11, 12 and 19, no other parties are intended to be direct or incidental beneficiaries of this Contract and no third party shall have any right in, under or to this Contract.

IN WITNESS WHEREOF, the Owner and the County have entered into this Contract as of the date and year first above written.

| | |
|---|---|
| **THE OWNER:** | **THE COUNTY:** |
| _____ | **COUNTY OF LOS ANGELES, CALIFORNIA** |
| _____ | _____ |
| Date of Execution by the Owner: | Name: |
| | Title: _____ |
| _____, 20____ | |

**ACKNOWLEDGEMENT(S)**

STATE OF CALIFORNIA )
: ss.:
COUNTY OF _____ )

On _____, before me, _____
a notary public, personally appeared _____
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(This area for official notarial seal)

---

STATE OF CALIFORNIA )
: ss.:
COUNTY OF _____ )

On _____, before me, _____
a notary public, personally appeared _____
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(This area for official notarial seal)

#17.

**EXHIBIT A**

**PARTICIPANT HANDBOOK**

**[To Come]**

**EXHIBIT B**

**CERTAIN FINANCING TERMS**

Maximum Disbursement Amount:

Contract Term:

Maximum Interest Rate: ___ Percent (__%) per annum.

Financing Costs in the Event of Noncompletion:

Annual Administrative Assessment[1]:

Prepayment Premium: From _____ to _____, a prepayment premium of __ percent (__%)

From _____ to _____, a prepayment premium of __ percent (__%)

After _____, a prepayment premium of __ percent (__%)

Improvements:

Estimated Payment Schedule:

| | Assessment | | | Maximum | |
|---|---|---|---|---|---|
| Year[2] | Disbursement Amount[3] | Financing Costs[4] | Interest | Annual Administrative Assessment[5] | Total |

(1) Based on the Maximum Annual Administrative Assessment established for LACEP, which amount may be adjusted from time to time by the Program Administrator, provided that the adjusted amount does not exceed the Maximum Annual Administrative Assessment.

(2) If funds are disbursed to the Owner before _____, the assessment will appear on the property tax bill for the same tax year. If funds are disbursed after _____, the assessment will appear on the property tax bill for the following tax year.

(3) Based on Maximum Disbursement. Subject to revision by the Program Administrator following the disbursement of the Disbursement Amount, if necessary, pursuant to the Contract to reflect the Disbursement Amount.

(4) Includes capitalized LACEP administrative expenses.

(5) Based on the Maximum Annual Administrative Assessment established for LACEP, which amount may be adjusted from time to time by the Program Administrator, provided that the adjusted amount does not exceed the Maximum Annual Administrative Assessment.

**EXHIBIT C**

**DESCRIPTION OF THE PROPERTY**

**EXHIBIT D**

**LOS ANGELES COUNTY ENERGY PROGRAM**
**NOTICE OF INTEREST AND PAYMENT SCHEDULE**

Owner: _____ (the "Owner")

Address: _____
_____(the "Property")

Assessor's Parcel Number: _____

LACEP Loan Number: _____

Pursuant to Section 1(b)(ii) of that certain Assessment Contract (the "Assessment Contract") executed by and between you, as Owner of the Property, and the County in connection with the Los Angeles County Energy Program, you are hereby notified that the interest rate applicable to the unpaid Assessment (as defined in the Assessment Contract) is ___%. The schedule of Assessment Installments, interest thereon and the Maximum Annual Administrative Assessment with respect to the referenced property is set forth below:

| | Assessment | | | Maximum | |
|---|---|---|---|---|---|
| Year[(1)] | Disbursement Amount | Financing Costs[(2)] | Interest | Annual Administrative Assessment[(3)] | Total |

(1) If funds are disbursed to the Owner before _____, the assessment will appear on the property tax bill for the same tax year. If funds are disbursed _____, the assessment will appear on the property tax bill for the following tax year.

(2) Includes capitalized LACEP administrative expenses.

(3) Based on the Maximum Annual Administrative Assessment established for LACEP, which amount may be adjusted from time to time by the Program Administrator, provided that the adjusted amount does not exceed the Maximum Annual Administrative Assessment.

The Notice of Assessment of record with the Office of the Registrar-Recorder/County Clerk of the County of Los Angeles will be amended to reflect the foregoing payment schedule.

Program Administrator,
Los Angeles County Energy Program

**EXHIBIT E**

**NOTICE OF ASSESSMENT**

WHEN RECORDED RETURN TO

County of Los Angeles
Treasurer and Tax Collector
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 437
Los Angeles, California 90012
Attention: Los Angeles County Energy Program
– Program Administrator

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**NOTICE OF ASSESSMENT**

Pursuant to the requirements of Section 5898.32 of the Streets and Highways Code of the State of California, the undersigned Clerk of the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles, a political subdivision of the State of California (the "County"), hereby gives notice that contractual assessments relating to that certain real property described in Appendix A hereto (the "Property"), in the amounts set forth in Appendix B hereto, were recorded in the Office of the Registrar-Recorder/County Clerk of the County, as provided for in said Section 5898.32.

Pursuant to that certain Assessment Contract (the "Assessment Contract") by and between the County and the owner of the Property named herein in connection with the Los Angeles County Energy Program, the several assessments assessed on the Property set forth in Appendix B hereto became a lien upon the Property and the Property became subject to the assessment in accordance pursuant to the Assessment Contract, the Act and applicable law upon the execution of such Assessment Contract.

In addition to the assessment to pay the costs and expenses of the improvements to be acquired, the Property is subject to a separate and additional assessment, as set forth in Appendix B hereto, to be levied annually to pay for costs not otherwise reimbursed which will result from the administration and collection of assessments or from the administration or registration of any associated bonds and reserve or related funds.

Reference is made to the Assessment Contract for the amount of any final and adjusted assessments, including any annual assessment as levied for administrative costs or maintenance, as applicable.

Included in Appendix A hereto is the name(s) of the owner of record of the Property, which is also the assessed owner of the Property as it appears on the latest secured assessment roll, all as required pursuant to Section 27288.1 of the Government Code of the State of California.

Dated: _____

Clerk of the Board of Supervisors of the
County of Los Angeles

By:_____
Deputy

**Appendix A to Notice of Assessment**

DESCRIPTION OF THE PROPERTY

**Appendix B to the Notice of Assessment**

Name(s) of Owner of the Property:_____

Assessment Amount:_____

Annual Administrative Assessment Amount:_____

**EXHIBIT F**

## Payment of Contractual Assessment Required

Pursuant to the requirements of Section 5898.24(d) of the Streets and Highways Code of the State of California, the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles, a political subdivision of the State of California (the "County"), hereby gives notice that the real property described in Appendix A hereto (the "Property") is subject to a contractual assessment that is required to be paid in accordance with that certain Assessment Contract (the "Assessment Contract") by and between the owner of the Property and the County in connection with the Los Angeles County Energy Program. Certain information regarding the contractual assessment assessed on the Property is set forth below.

(1) The names of all current owners of the real property subject to the contractual assessment:

_____

_____

_____

(2) Legal description of the Property: See Exhibit Appendix A attached hereto and incorporated herein by this reference.

(3) Assessor's parcel number for the Property: _____.

(4) The annual amount of the contractual assessment: _____.

(5) The contractual assessment referenced (4) above expires on the date such contractual assessment and any applicable penalties, costs, fees, and charges, including the Annual Administrative Assessment (as defined in the Assessment Contract), have been paid in full.

(6) Funds from the contractual assessment were used to finance the acquisition and construction on and installation in the Property of certain qualifying renewable energy systems and energy and water efficiency improvements, as further described in the Assessment Contract.

(7) Funds from the contractual assessment should be paid to the following:

[Name of entity to which contractual assessments should be paid]
[Address of entity]
[Contact person][2]

[2] Section 5898.24(d)(2)(E) of the Act requires the document to include "the entity to which funds from the contractual assessment will be paid and specific contact information for that entity".

Date: _____

Treasurer and Tax Collector of the
County of Los Angeles [or Entity to which
Contractual Assessments will be paid]

By:_____[3]
Name:
Title:

[3] Section 5898.24(d)(2)(F) of the Act requires the document to include "the signature of the authorized representative of the legislative body to which funds from the contractual assessment will be paid."

**Appendix A to Notice of Payment of Contractual Assessment Required**

DESCRIPTION OF THE PROPERTY

**EXHIBIT G**

**LOS ANGELES COUNTY ENERGY PROGRAM**
**NOTICE TO PROCEED**

Date: _____

Owner: _____ (the "Owner")

Address: _____
_____ (the "Property")

Assessor's Parcel Number: _____

LACEP Loan Number: _____

Pursuant to Section 4(a) of that certain Assessment Contract (the "Assessment Contract") executed by and between you, as Owner of the Property, and the County in connection with the Los Angeles County Energy Program, you are hereby given notice to proceed (this "Notice to Proceed") with acquisition, construction and installation of the Improvements and, upon completion of the Improvements, submit a request for funding to LACEP. This Notice to Proceed constitutes consent and authorization pursuant to Section 5898.21 of the Act for the Owner to purchase directly the related equipment and materials for the Improvements and to contract directly for the construction on and/or installation in the Property of the Improvements. The Owner must complete installation of the Improvements no later than __ days after the date of this Notice to Proceed, provided that the Owner and the Program Administrator may agree to an extension of this completion date for good cause shown pursuant to Section 4(b) and Section 13(g) of the Assessment Contract, but in no event shall the completion date be more than one year from the date of this Notice to Proceed. Disbursement of any amounts pursuant to the Assessment Contract is subject to satisfaction of the terms and conditions thereof.

Program Administrator,
Los Angeles County Energy Program

**EXHIBIT H**

**NOTICE OF PROPOSED CONTRACTUAL ASSESSMENT**
**(Commercial Property Owner)**

**Notice Date**:_____

**Lender Address**: _____

**Property/Loan Information**:

**Owner:**_____

**Address:**_____

**APN:** _____

**Loan Number(s)**:_____

To Whom It May Concern:

The undersigned (the "Owner") is the owner of a certain real property located at the above-referenced address (the "Property"). You are the lender (the "Lender") with respect to the above-referenced (the "Loan") that is secured by a lien on the Property.

The Owner is sending this Notice of Proposed Contractual Assessment to Lender to (i) provide notice of the Owner's proposed participation in the Los Angeles County Energy Program ("LACEP"), (ii) request confirmation from the Lender that the levy of the contractual assessment pursuant to the herein described Assessment Contract will not trigger an event of default or the exercise of any remedies under the Loan documents, and (iii) provide notice that the contractual assessment (including any penalties and interest) will be secured by a statutory lien on the Property that is senior to the lien securing the Loan.

Background. The County of Los Angeles, a political subdivision of the State of California (the "County") has established LACEP to help finance the acquisition and construction on and installation in the assessed properties, including the Property, of certain qualifying renewable energy systems and energy and water efficiency improvements (the "Improvements") pursuant to Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Contractual Assessment Law").

In accordance with Contractual Assessment Law, the County will levy a contractual assessment to finance the installation of the Improvements on certain property with the agreement of the applicable property owner pursuant to the terms of an assessment contract (the "Assessment Contract") between such property owner and the County. Pursuant to Section 5898.30 of Contractual Assessment Law, the contractual assessment (including any penalties and interest) is collected on the property tax bill and is secured by a lien on the applicable property

that is (i) senior to all private liens, including private liens that existed prior to levy of the contractual assessment and (ii) cannot be subordinated to the private liens.

Information regarding the purpose and method of administration of the assessments under LACEP can be found at _____ [website].

Participation in LACEP. The Owner has applied to participate in LACEP and intends to finance installation on the Property of the Improvements set forth on Exhibit A hereto. The contractual assessment to be levied on the Property (the "Contractual Assessment") pursuant to the Assessment Contract and the related payment terms are proposed to consist of the following:

Principal amount: $_____
Estimated interest rate: _____%
Term of repayment period: _____
Annual administrative component: $_____
Total estimated annual installment: $_____

Lender Approval. Please acknowledge that participation of the Property in LACEP is acceptable to the Lender by executing the attached Certificate of Lender and returning it to the undersigned at your earliest convenience.

Very truly yours,

BY: _____
(Signature)

OWNER
NAME: _____

MAILING ADDRESS (if different than Property address): _____
_____

**EXHIBIT I**

**CERTIFICATE OF LENDER**
**(Commercial Property Owner)**

**Property/Loan Information**

**Owner:**_____

**Address:**_____

**APN:** _____

**Loan**:_____

In connection with the above-referenced loan (the "Loan") relating to the above-referenced property (the "Property") by the herein referenced lender (the "Lender"), the undersigned hereby certifies, acknowledges, confirms and agrees as follows:

(1) He/she is duly authorized to execute this Certificate on behalf of the Lender.

(2) The Lender is in receipt of written notice (the "Notice") from the owner of the Property (the "Owner") that Owner intends to finance installation on the Property of certain renewable energy, energy efficiency and/or water efficiency improvements that will be permanently fixed to the Property (the "Improvements") by participating in the Los Angeles County Energy Program sponsored by the County of Los Angeles, a political subdivision of the State of California (the "County").

(3) As a result of an Assessment Contract between the County and the Owner (the "Assessment Contract") and pursuant to Chapter 29 of Part 3 of Division 7 of the Streets and Highways Code of the State of California, the Contractual Assessment described in the Notice will be levied on the Property and the Contractual Assessment (including any penalties and interest) will be secured by a statutory lien that is senior to the lien securing the Loan.

(4) The Lender consents to the levy of the Contractual Assessment pursuant to the Assessment Contract.

(5) The Lender agrees that the levy of the Contractual Assessment will not constitute an event of default or the exercise of any remedies under the documents relating to the Loan.

The Lender further acknowledges that the Owner and the County will rely on this Certificate in connection with the disposition and administration of the Assessment Contract and the Los Angeles County Energy Program.

[LENDER]

By: _____
Name:
Title:
Date:

#17.

**EXHIBIT J**

**LOS ANGELES COUNTY ENERGY PROGRAM**
**NOTICE OF CANCELLATION**

_____ [and _____] are the owner[s] of record ([collectively,] the "Owner") of that certain real property located at _____ located in the County of Los Angeles, California. The Owner previously executed that certain Assessment Contract (the "Assessment Contract") with the County of Los Angeles (the "County") in connection with the Los Angeles County Energy Program ("LACEP"). Pursuant to the Assessment Contract, Owner hereby notifies the LACEP Program Administrator in accordance with Sections 15 and 24 of the Assessment Contract no less than _____ (__) days prior to the disbursement of the Disbursement Amount that the Owner has determined to cancel the transaction described in the Assessment Contract. Accordingly, the Contract shall terminate and be of no further force or effect, except that the Owner agrees to pay amounts due, if any, pursuant to Section 1(b)(iv) of the Assessment Contract relating to financing costs in the event of the improvements are not completed.

Dated: _____

[OWNER]

By:_____
Name:_____

By:_____
Name:_____

**INDENTURE**

**Dated as of _____, 2010**

**by and among**

**COUNTY OF LOS ANGELES, CALIFORNIA,**

**TREASURER AND TAX COLLECTOR OF THE COUNTY OF LOS ANGELES**
**as the Paying Agent**

**and**

**AUDITOR-CONTROLLER OF THE COUNTY OF LOS ANGELES**
**as the Fiscal Agent**

**$_____**
**Los Angeles County Energy Program**
**Contractual Assessment Limited Obligation Improvement Bonds, Series A**

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INDENTURE

This COUNTY INDENTURE (this "County Indenture"), dated as of _____ 1, 2010, is executed by and among the County of Los Angeles (the "County"), a political subdivision of the State of California (the "State"), the Treasurer and Tax Collector of the County, as paying agent (the "Paying Agent") on behalf of the owners of the herein described Bonds, and the Auditor-Controller of the County, as fiscal agent (the "Fiscal Agent") on behalf of the owners of the herein described Bonds.

WHEREAS, Chapter 29 of Part 3 of Division 7 of the Streets and Highways Code of the State of California (the "Contractual Assessment Law") authorizes counties to assist free and willing property owners in financing the installation of distributed generation renewable energy sources and energy and water efficiency improvements (the "Improvements") that are permanently fixed to residential, commercial, industrial or other real property through a contractual assessment program; and

WHEREAS, the Board of Supervisors (the "Board of Supervisors") of the County, previously approved a resolution (the "Resolution of Intention") declaring its intention to order the implementation of a contractual assessment program to finance the acquisition, construction and installation of the Improvements pursuant to the Contractual Assessment Law; and

WHEREAS, following notice duly given and a hearing in accordance with applicable law, the Board of Supervisors approved a resolution which, among other things, authorized the establishment of the Los Angeles County Energy Program (the "LACEP") to finance the acquisition, construction and installation of the Improvements on properties in the County through the use of contractual assessments pursuant to the Contractual Assessment Law; and

WHEREAS, pursuant to LACEP, the County will enter into contractual assessment agreements (each, an "Assessment Contract") with free and willing property owners (the "Property Owners") pursuant to which the County will assist in financing the acquisition, construction and installation of Improvements on or in such owners' respective properties and levy contractual assessments (each, an "Assessment") on the applicable properties in the amounts set forth in the Assessment Contracts; and

WHEREAS, the County will issue Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Bonds (the "New Money Assessment Bonds") from time to time in one or more series under and pursuant to the Contractual Assessment Law, The Improvement Bond Act of 1915, being Division 10 of the Streets and Highways Code of the State (the "1915 Act") and this County Indenture for the purpose of funding disbursements to free and willing property owners to finance the Improvements pursuant to LACEP; and

WHEREAS, the County may issue Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Refunding Assessment Bonds (the "Refunding Assessment Bonds" and, together with the New Money Assessment Bonds, the

"Bonds") from time to time in one or more series under and pursuant to the Contractual Assessment Law, the 1915 Act and this County Indenture for the purpose of refinancing the bonds referenced above; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured, and to secure the payment of the principal thereof and premium, if any, and interest thereon, the parties hereto have authorized the execution and delivery of this County Indenture; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this County Indenture do exist, have happened and have been performed in due time, form, and manner as required by law, and the parties hereto are duly authorized to execute and enter into this County Indenture;

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

## ARTICLE I

## DEFINITIONS; RULES OF CONSTRUCTION; AUTHORIZATION AND PURPOSE OF BONDS

Section 1.1. Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this County Indenture:

"1913 Act" means The Municipal Improvement Act of 1913, being Division 12 of the Streets and Highways Code of the State.

"1915 Act" means The Improvement Bond Act of 1915, being Division 10 of the Streets and Highways Code of the State.

"Additional Bonds" means one or more series of bonds issued pursuant to this County Indenture subsequent to the issuance of the Series A Bonds.

"Administrative Expenses" means (i) the ordinary and necessary costs of administering the levy and collection of the Assessments and all other administrative costs and incidental expenses related to the Bonds, including, but not limited to, any annual audit fees, Paying Agent fees, Fiscal Agent fees and such other costs as are paid or payable from amounts collected pursuant to Sections 8682, 8682.1 or 10312 of the California Streets and Highway Code and (ii) capitalized costs of establishing and administering LACEP.

"Annual Administrative Assessment" means the annual assessment levied against the properties of owners participating in LACEP to pay the ordinary and necessary costs incurred by the County in connection with the administration and collection of the Assessments, from the administration or registration of any associated bonds, including the Bonds, securities or other

financing arrangements, and from the administration of the Assessment Bond Reserve Fund or other related funds.

"Assessment Bond Reserve Fund" means the fund created and established pursuant to Section 4.1(d) hereof.

"Assessment Bond Reserve Requirement" means, as of the date of any calculation, which calculation shall be made by the Fiscal Agent, an amount equal to the least of (a) _____, or (b) 10% of the original principal amount of the Bonds. The Assessment Bond Reserve Requirement shall be calculated upon each payment or prepayment of an Assessment pursuant to Section 8881 and Section 8884 of the 1915 Act.

"Assessment Contracts" means the agreements by and between the County and free and willing property owners participating in LACEP and identified in Exhibit C hereto, pursuant to which the County agrees to provide financing to such property owners for the acquisition, construction and installation of Improvements to such owners' properties.

"Assessment Installments" means the installments of principal, interest and premium, if any, to be paid on the unpaid Assessments by certain property owners pursuant to the terms of the related Assessment Contracts. The term "Assessment Installments" does not include the Annual Administrative Assessment.

"Assessment Payment Account" means the account by that name established and held by the Fiscal Agent pursuant to Section 4.1 hereof with respect to each Series of Bonds issued hereunder.

"Assessment Prepayment Account" means the account by that name established and held by the Fiscal Agent pursuant to Section 4.1 hereof with respect to each Series of Bonds issued hereunder.

"Assessment Revenues" means the revenues received by the County in each Fiscal Year from the collection of the annual Assessment Installments, including any interest and penalties thereon and the proceeds of the exercise of any of the remedies for delinquent payments available under the related Assessment Contracts or under the Contractual Assessment Law.

"Assessments" means the unpaid assessments levied by the County pursuant to the Contractual Assessment Law and the related Assessment Contracts constituting a first lien and charge upon certain real properties in the County.

"Auditor" means the Auditor-Controller of the County.

"Authority" means the Los Angeles County Public Works Financing Authority created pursuant to the JPA Act, together with its successors and assigns.

"Authority Revenue Bonds" means all series of bonds issued and outstanding under the Authority Indenture, which are secured by payments made on the Bonds purchased with the proceeds of such bonds.

"Authority Indenture" means the Indenture dated as of ____, 2010, by and among the Authority, the Treasurer and Tax Collector of the County of Los Angeles, as paying agent thereunder, and the Auditor-Controller of the County of Los Angeles, as fiscal agent thereunder, and any supplements thereto.

"Authorized Investment" means any legal investment of County funds.

"Authorized Representative of the County" means the Treasurer, the Auditor, the Program Administrator or any other person designated by such officers and authorized to act on behalf of the County under or with respect to this County Indenture and all other agreements related hereto.

"Board of Supervisors" means the Board of Supervisors of the County.

"Bond Date" means the dated date of the Bonds, which shall be the Closing Date thereof.

"Bonds" means the contractual assessment limited obligation improvement bonds authorized by and at any time Outstanding pursuant to the provisions of this County Indenture and as designated pursuant to Section 2.3 hereof, including the Series A Bonds and any Additional Bonds.

"Business Day" means any day other than (i) a Saturday or a Sunday, (ii) a day on which banking institutions in the State or the Federal Reserve System are authorized or obligated by law or executive order to be closed, or (iii) a day on which the County offices are closed on account of an official holiday recognized by the County.

"Closing Date" means, with respect to each Series of Bonds the date of initial delivery of such Series of Bonds.

"Contractual Assessment Law" means Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code, commencing with Section 5898.10, and all laws amendatory thereof or supplemental thereto.

"Costs of Issuance" means all of the costs of issuing the Bonds, including, but not limited to, all printing and document preparation expenses in connection with this County Indenture, the Bonds and any and all other agreements, instruments, certificates or other documents issued in connection therewith; legal fees and expenses of counsel with respect to the issuance of the Bonds; fees and expenses of the financial advisor with respect to the issuance of the Bonds; underwriters' fees; the initial fees and expenses of the Fiscal Agent and the Paying Agent, if any (including without limitation, origination fees and first annual fees payable in advance); and other fees and expenses incurred in connection with the issuance of the Bonds or the implementation of LACEP.

"Costs of Issuance Fund" means the fund created and established pursuant to Section 4.1 hereof.

"County" means the County of Los Angeles, a political subdivision of the State.

"Debt Service Fund" means the fund created and established pursuant to Section 4.1 hereof.

"DTC" means The Depository Trust Company in New York, New York.

"Energy Fund" means the Energy Fund established pursuant to Resolution No. _____ of the Board of Supervisors, adopted on May 25, 2010.

"Escrow Fund" means the fund by that name created and established pursuant to Section 4.1 hereof.

"Event of Default" means any occurrence or event specified in and defined by Section 8.1 hereof.

"Federal Securities" means any of the following which at the time of investment are legal investments under the laws of the State of California for the funds proposed to be invested therein: (a) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America); and (b) obligations of any agency, department or instrumentality of the United States of America the timely payment of principal of and interest on which are fully guaranteed by the United States of America.

"Fiscal Agent" means (i) the Auditor or his designated agent or (ii) any bank, trust company, national banking association or other financial institution appointed as fiscal agent for the Bonds in the manner provided in this County Indenture.

"Fiscal Year" means any twelve-month period extending from July 1st in one calendar year to June 30th of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the County as its official fiscal year period.

"Improvement Fund" means the fund by that name established and held by the Fiscal Agent pursuant to Section 4.1 hereof.

"Improvements" means the qualifying distributed generation renewable energy sources and energy and water efficiency improvements acquired, constructed and/or installed on or in properties in the County under LACEP and the related Assessment Contracts.

"County Indenture" means this County Indenture, dated as of _____ 1, 2010, by and among the County, the Paying Agent and the Fiscal Agent, as amended or supplemented pursuant to the terms hereof.

"Independent Public Accountant" means any certified public accountant or firm of certified public accountants appointed and paid by the County who, or each of whom (i) is in fact independent and not under domination of the County; (ii) does not have any substantial interest, direct or indirect the County; and (iii) is not connected with the County as an officer or employee of the County but who may be regularly retained to make annual or other audits of the books of, or reports to, the County.

"Information Services" means Financial Information, Inc.'s "Daily Called Bond Services," 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 07302, Attention: Editor; Moody's Investors Service "Municipal and Government," 99 Church Street, 8th Floor, New York, New York 10007, Attention: Municipal News Reports; Kenny S&P, "Notification Department," 55 Water Street, 45th Floor, New York, New York 10041; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to the Bonds to be redeemed as the County may designate in a Written Request of the County filed with the Fiscal Agent.

"Interest Payment Date" means, with respect to any Bond, March 2 and September 2 in each year, beginning on March 2 in the year immediately succeeding the August deadline by which the Assessments of the applicable Assessment Contracts have been enrolled on the County tax roll, and continuing thereafter so long as any Bonds remain Outstanding.

"JPA Act" means the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the Government Code of the State, as amended) and all laws amendatory thereof or supplementing thereto.

"LACEP" means the Los Angeles County Energy Program established pursuant to Resolution No. _____ of the Board of Supervisors, adopted on [May 25, 2010] under the Contractual Assessment Law.

"Maturity Date" means the date specified in any Bond on which the principal of such Bond becomes due and payable.

"New Money Assessment Bonds" means Bonds issued to finance Improvements in accordance with LACEP and the related Assessment Contracts.

"Outstanding" means, subject to the provisions of Section 9.6 hereof, all Bonds theretofore or thereupon being authenticated and delivered by the Paying Agent under this County Indenture except:

(1) Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation;

(2) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Paying Agent pursuant to this County Indenture;

(3) From and after the date fixed for redemption, Bonds or portions thereof designated for redemption for which notice of redemption has been duly given and the amount necessary for redemption has been made available for that purpose; and

(4) Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have theretofore been deposited with the Fiscal Agent in accordance with Section 9.1 hereof (whether on or prior to the maturity or Redemption Date of such Bonds).

"Owner" when used with respect to any Bond, means the person in whose name the ownership of such Bond is registered on the Registration Books maintained by the Fiscal Agent.

"Paying Agent" means the Treasurer and its designated agents, any third party contractor serving as Paying Agent, and their successors or assigns, acting in the capacity of registrar, paying agent and transfer agent. The Treasurer is authorized to contract with any third party to perform the services of Paying Agent under this County Indenture.

"Principal Payment Date" means September 2 of each year, commencing September 2, 20__ with respect to the Series A Bonds.

"Prior Assessment Bonds" means any or all (as the context may require) Series of Bonds designated for refunding with proceeds of a Series of Refunding Assessment Bonds.

"Program Administrator" means the Director of the Internal Services Department of the County, pursuant to the Resolution of Intention, or any designee of such officer.

"Program Expense Fund" means the fund by that name and established in the Energy Fund held by the County in connection with the Annual Administrative Assessment and other amounts received for payment of Administrative Expenses and administered pursuant to Section 4.8 hereof.

"Record Date" means, with respect to any Interest Payment Date, the fifteenth day of the calendar month immediately preceding the applicable Interest Payment Date, whether or not such day is a Business Day.

"Redemption Date" means, with respect to any Bonds, the date on which such Bonds have been called for redemption pursuant to Section 3.1 or Section 3.2 of this County Indenture prior to their Maturity Date.

"Redemption Notice" has the meaning provided in Section 3.6 hereof.

"Refunding Assessment Bonds" means Bonds issued to finance the refunding of bonds outstanding under this County Indenture or other issuance instrument and secured by proceeds derived from payments of Revenues.

"Registration Books" means the records maintained by the Paying Agent pursuant to Section 2.9 hereof for the registration and transfer of ownership of the Bonds.

"Representation Letter" means the Blanket Letter of Representations delivered upon or prior to the issuance of the Bonds to DTC by the County.

"Resolution Establishing LACEP" means Resolution No. _____ of the Board of Supervisors adopted on May 25, 2010.

"Resolution of Intention" means Resolution No. _____ of the Board of Supervisors adopted on April 6, 2010.

"Revenues" shall mean the Assessment Installments and any foreclosure proceedings relating thereto, the proceeds of the sale of the Bonds, all amounts in the Debt Service Fund and the accounts thereunder and all interest, profits and other income received from the investment of such amounts, less the amounts deducted by the County and set-aside to pay the costs and expenses[, up to a maximum of $_____ in each Fiscal Year], incurred by the County in connection with the capitalized costs of establishing and administering LACEP.

"Securities Depository" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, N.Y. 10041-0099 Attn. Call Notification Department, Fax (212) 855 7232, or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories, or no such depositories, as the County may indicate in a Written Request of the County delivered to the Paying Agent.

"Series" means each Series of Bonds issued and designated pursuant to and in accordance with Section 2.1, Section 2.3 or Section 2.15 hereof.

"Series A Bonds" means the County's Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Bonds, Series A.

"State" means the State of California.

"Supplemental Indenture" means any indenture adopted by the parties hereto amendatory of or supplemental to this County Indenture.

"Treasurer" means the Treasurer and Tax Collector of the County.

"Written Request of the County" means a request in writing signed by an Authorized Representative of the County.

Section 1.2. Rules of Construction. All references in this County Indenture to "Sections," and other subdivisions, unless indicated otherwise, are to the corresponding Sections or subdivisions of this County Indenture; and the words "herein," "hereof," "hereunder," and other words of similar import refer to this County Indenture as a whole and not to any particular Section or subdivision hereof.

Section 1.3. Authorization and Purpose of Bonds. The Board of Supervisors has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen and be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the County is now authorized, pursuant to each and every requirement of law, to issue the Bonds in the manner and form as in this County Indenture provided. The Board of Supervisors hereby authorizes the issuance of the Bonds pursuant to the Contractual Assessment Law, the 1915 Act and this County Indenture for the purpose of funding disbursements pursuant to the Assessment Contracts to property owners for the cost of Improvements pursuant to LACEP.

## ARTICLE II

## THE BONDS

Section 2.1. Authorization and Purpose of Bonds; Equality of Bonds; Pledge; Limited Liability

(a) The County is hereby authorized and directed to execute, and the Fiscal Agent is hereby authorized and directed upon written request of an Authorized Representative of the County to authenticate and deliver the Bonds. The County may authorize the execution, authentication and delivery of Additional Bonds at any time after the execution, authentication and delivery of the Bonds only as provided in Section 2.15 hereof, which Additional Bonds shall contain such additional designation as may be determined by the County, including the designation of Refunding Assessment Bonds, as appropriate. The Bonds may be issued in book-entry form or certificate form.

(b) The County hereby pledges and assigns to the Paying Agent and the Fiscal Agent, as applicable, in trust for the protection and security of the Owners, all of its right, title and interest in the Revenues. The Bonds shall be and are equally secured by a pledge of and lien upon the Revenues.

(c) The Bonds and interest thereon are not payable from the general funds of the County. Neither the credit of the County nor the taxing power of the County is pledged for the payment of the Bonds or the interest thereon, and, except as provided herein, no Owner of the Bonds may compel the exercise of any taxing power by the County or force the forfeiture of any of its property. The principal of, and premium (if any) and interest on the Bonds are not a debt of the County nor a legal or equitable pledge, charge, lien or encumbrance upon any of the property of the County, or upon any of their income, receipts or revenues, other than the Revenues.

Section 2.2. Collection of Assessments. (a) The Assessment Installments shall be payable as provided in the Assessment Contracts and shall be payable in the same manner and at the same time and in the same installments as general taxes on real property are payable, and become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do general taxes on real property. Nothing in this County Indenture or in any Supplemental Indenture shall preclude the redemption prior to maturity of any Bonds or the payment of the Bonds from proceeds of refunding bonds issued under any law of the State.

(b) Except for the collection of the Assessment Installments and the observance and performance of the other conditions, covenants and terms contained herein or in the 1915 Act or the Contractual Assessment Law required to be observed or performed by it, the County shall not have any obligation or liability to the Owners with respect to this County Indenture or the Bonds.

Section 2.3. Issuance of Series A Bonds; Description of Series A Bonds. (a) The Series A Bonds shall consist of such Bonds designated generally as "County of Los Angeles Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement

Bonds, Series A". Series A Bonds in the aggregate principal amount not to exceed $_____ shall be issued for the purposes of funding disbursements of such amounts and any other moneys available therefor to free and willing property owners to finance the Improvements pursuant to LACEP.

(b) The Series A Bonds may be issued in one or more subseries, with the principal amount of each subseries of Series A Bonds to be determined by the Treasurer.

(c) Each Series of Bonds shall bear a series designation as determined by the County.

(d) The Series A Bonds shall be issued only in fully registered form without coupons in the denomination of $5,000 or any integral multiple thereof, or in such other denomination or denominations as determined by the County. The Series A Bonds shall be dated as of their date of delivery and shall mature and be payable on September 2 in the years and in the principal amounts and shall bear interest as set forth below:

**Los Angeles County Energy Program**
**Contractual Assessment Limited Obligation Improvement s, Series A**

| Maturity Date (September 2) | Principal Amount | Interest Rate |
|---|---|---|
| | $ | |

The interest rate for the Series A Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months.

(e) If the Series A Bonds are issued in book-entry form, the Series A Bonds shall be initially registered in the name of "Cede & Co.," as nominee of DTC. If the Series A Bonds are issued in certificate form, the Series A Bonds shall be initially registered pursuant to Section 2.5 hereof. The Series A Bonds shall be evidenced by a single fully registered bond in the principal amount of the Series A Bonds.

Section 2.4. Medium and Payment. Principal of, and premium (if any) and interest on the Bonds shall be payable in lawful money of the United States of America. The principal of each Series of Bonds shall be payable on the respective Maturity Date set forth in the applicable Bonds. Interest with respect to each Bond shall accrue from the respective Bond Date. Interest on any Bond shall be payable from the Interest Payment Date next preceding the date of authentication of that Bond, unless (i) such date of authentication is an Interest Payment Date, in which event interest shall be payable from such date of authentication, (ii) the date of authentication is after a Record Date but prior to the immediately succeeding Interest Payment

Date, in which event interest shall be payable from such Interest Payment Date, or (iii) the date of authentication is prior to the close of business on the first Record Date, in which event interest shall be payable from the Bond Date; provided, however, that if at the time of authentication of such Bond, interest is in default, interest on that Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment.

Principal of and interest on any Bond shall be paid by check of the Paying Agent mailed on or before the Interest Payment Date by first class mail, postage prepaid, to the person whose name appears in the Registration Books as the Owner of such Bond as of the close of business on the Record Date, to the address that appears on the Registration Books, provided that the payment of principal of the Bonds on the final Maturity Date and the payment of the principal of the Bonds and any premium due upon the redemption thereof shall be payable upon presentation and surrender thereof at maturity or earlier redemption at the office of the Paying Agent. In addition, upon a request in writing received by the Paying Agent on or before the applicable Record Date from an Owner of $1,000,000 or more in principal amount of the Bonds payment shall be made on the Interest Payment Date by wire transfer in immediately available funds to an account designated by such Owner.

Each Bond shall bear interest until its principal sum has been paid; provided, however, that if at the Maturity Date of any Bond, or if at the Redemption Date of any Bond which has been duly called for redemption as herein provided, funds are available for the payment or redemption thereof in full accordance with the terms of this County Indenture, the Bond shall then cease to bear interest.

Section 2.5. Form of Bonds and Certificate of Authentication and Registration. The Bonds shall be initially issued in the form of a fully registered bond or bonds registered in the name of the purchaser thereof. The form of the Bond, the form of the certificate of authentication and the form of registration thereon shall be substantially in the form attached hereto as Exhibit A and incorporated herein by this reference, with any necessary or appropriate variations, omissions and insertions as permitted or required hereunder. The Bonds may be printed, lithographed or typewritten and may contain such reference to any of the provisions of this County Indenture as may be appropriate.

Section 2.6. Execution and Authentication. The Bonds shall be executed by the manual or facsimile signature of the Treasurer and attested by the manual or facsimile signature of the Executive Officer Clerk of the Board of Supervisors. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed have been authenticated and delivered by the Paying Agent (including new Bonds delivered pursuant to the provisions hereof with reference to the transfer and exchange of Bonds or to lost, stolen, destroyed or mutilated Bonds), such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed such Bonds had not ceased to hold such offices.

The Bonds shall bear thereon a certificate of authentication and registration, in the form set forth in Exhibit A hereto, executed by the manual signature of the Paying Agent. Only such Bonds as shall bear thereon such certificate of authentication and registration shall be entitled to any right or benefit under this County Indenture, and no Bond shall be valid or

obligatory for any purpose until such certificate of authentication and registration shall have been duly executed by the Paying Agent.

Section 2.7. Registration of Exchange or Transfer. The registration of any Bond may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form acceptable to the Paying Agent and duly executed by the Owner or his or her duly authorized attorney. Bonds may be exchanged at the office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations of the same maturity and interest rate. The Paying Agent will not charge for any new Bond issued upon any transfer or exchange, but may require the Owner requesting such transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. Whenever any Bond or Bonds shall be surrendered for registration of transfer or exchange, the Paying Agent shall authenticate and deliver a new Bond or Bonds of the same maturity, for a like aggregate principal amount; provided that the Paying Agent shall not be required to register transfers or make exchanges during the 15 days immediately preceding any Interest Payment Date, and, of (i) Bonds for a period of 15 days next preceding the date of any selection of Bonds to be redeemed, or (ii) any Bonds chosen for redemption.

Section 2.8. Mutilated, Lost, Destroyed or Stolen Bonds. If any Bond shall become mutilated, the Treasurer, at the expense of the Owner of such Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver a new Bond of like Series, tenor, date, maturity and aggregate principal amount in authorized denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Paying Agent shall be cancelled and destroyed. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence is satisfactory to the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the Treasurer, at the expense of the Owner, shall execute, the Paying Agent shall thereupon authenticate and deliver, a new Bond of like Series, tenor and maturity numbered and dated as the Paying Agent shall determine in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Fiscal Agent). The Paying Agent may require payment of a reasonable fee for each new Bond issued under this Section 2.8 and of the expenses which may be incurred by the County and the Paying Agent. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to have been lost, destroyed or stolen shall be equally and proportionately entitled to the benefits hereof with all other Bonds secured hereby. The Paying Agent shall not treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be executed, authenticated and delivered hereunder, but both the original and replacement Bond shall be treated as one and the same.

Section 2.9. Registration Books. The Paying Agent will keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as

he or she may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Bonds as herein provided.

The County and the Paying Agent may treat the Owner of any Bond whose name appears on the Registration Books as the absolute Owner of such Bond for any and all purposes, and the County and the Paying Agent shall not be affected by any notice to the contrary. The County and the Paying Agent may rely on the address of the Owner as it appears in the Registration Books for any and all purposes. It shall be the duty of each Owner to give written notice to the County and the Paying Agent of any change in such Owner's address so that the Registration Books may be revised accordingly.

Section 2.10. Special Provisions as to Bonds Issued In Book-Entry Form. The following provisions shall apply only if the Bonds are issued in book-entry form:

(a) Except as otherwise provided in subsections (b) and (c) of this Section 2.10, all of the Bonds initially executed and delivered hereunder shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the principal of and interest on each Bonds registered in the name of Cede & Co. shall be made to the account, in the manner and at the address indicated in or pursuant to the Representation Letter delivered to DTC by the County.

(b) The Bonds executed and delivered pursuant to this Section 2.10 shall be in the form of a single authenticated fully registered bond for each maturity of Bond. The ownership of all such Bonds shall be registered in the registration books maintained by the Paying Agent pursuant to Section 2.09 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC may request. The Paying Agent and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of and interest on such Bonds, selecting any Bonds or portions thereof to be prepaid, giving any notice permitted or required to be given to an Owner under this County Indenture, registering the transfer of Bonds, obtaining any consent or other action to be taken by the Owners and for all other purposes whatsoever; and neither the Paying Agent nor the County shall be affected by any notice to the contrary. Neither the Paying Agent nor the County shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.10, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant; (ii) the payment by DTC or any Participant of any amount in respect of the principal or interest represented by such Series A Bonds; (iii) any notice which is permitted or required to be given to the Owners under this County Indenture; (iv) the selection by DTC or any Participant of any person to receive payment in the event, if any, of a partial prepayment of the Bonds; or (v) any consent given or other action taken by DTC as Owner. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter. Upon delivery by DTC to the Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of its

then existing nominee, the Bonds will be transferable to such new nominee in accordance with subsection (f) of this Section 2.10.

(c) In the event that the County determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain bonds, the Paying Agent shall, upon the written instruction of the County, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of Bonds. In such event, the Bonds will be transferable in accordance with subsection (f) of this Section 2.10. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice of such discontinuance to the County or the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with subsection (f) of this Section 2.10. Whenever DTC requests the County, or the Paying Agent to do so, the Paying Agent and the County will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all Bonds evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to such securities depository in accordance with subsection (f) of this Section 2.10, and thereafter, all reference in this County Indenture to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this County Indenture to the contrary, so long as all Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal and interest represented by each such Bond and all notices with respect to each such Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The County shall execute and deliver the Representation Letter and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this County Indenture.

(f) In the event that any transfer or exchange of Bonds is authorized under subsection (b) or (c) of this Section 2.10, such transfer or exchange shall be accomplished upon receipt by the Paying Agent from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Section 2.7. In the event Bonds are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, another securities depository as holder of all the Bonds, or the nominee of such successor securities depository, the provisions of Section 2.3, Section 2.9 and Article III shall also apply to, among other things, the registration, exchange and transfer of the Bonds and the method of payment of principal of, premium, if any, and interest on the Bonds.

Section 2.11. Validity of the Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Improvements or upon the performance by any person of such person's obligation with respect to the Improvements.

Section 2.12. Refunding of Bonds. The Bonds may be refunded by the County in accordance with Section 4.9 and may be refunded at any other time by the County as

permitted by and in accordance with this County Indenture and applicable law including, but not limited to, the 1915 Act.

Section 2.13. Unclaimed Money. To the extent permitted by law, all money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption with respect to such Bonds shall have become due and payable shall be transferred to the County for use in connection with LACEP; provided, however, that the Paying Agent, before making such payment, shall cause notice of unclaimed money to be mailed to the Owners of such Bonds, by first class mail, postage prepaid. Thereafter, the Owners of such Bonds shall look only to the County for payment and then only to the extent of the amount so received without any interest thereon.

Section 2.14. Nonpresentment of Bonds. Except as otherwise provided in Section 2.13 hereof, in the event any Bonds shall not be presented for payment when the principal or redemption price thereof becomes due, if funds sufficient to pay such Bonds shall be held by the Paying Agent for the benefit of the Owners thereof, all liability of the County to the Owners thereof shall forthwith cease and be completely discharged and thereupon it shall be the duty of the Paying Agent to hold such funds (subject to Section 2.13 hereof), without liability for interest thereon, for the benefit of the Owners of such Bonds, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on or with respect to such Bonds.

Section 2.15. Additional Bonds. (a) The County hereby authorizes and approves the issuance of Additional Bonds for the purpose of financing further disbursements under and in accordance with the LACEP, which Additional Bonds shall be issued and delivered pursuant to Supplemental Indentures and agreements, including additional bond purchase agreements, as may be approved by the Board of Supervisors from time to time.

The County may issue bonds of equal security with that of the Bonds payable from the Assessment Installments as provided herein on a parity with any Bonds theretofore issued hereunder, but only subject to the following conditions:

(i) The issuance of such Bonds shall have been authorized under and pursuant to the 1915 Act and under and pursuant hereto and shall have been provided for by a supplemental indenture which shall specify the following:

(1) The proceeds of the sale of such Bonds shall be applied for the purpose of providing funds to refund any Bonds issued hereunder or for the purpose of funding additional disbursements in connection with LACEP, which disbursements shall be repaid from additional Assessments pursuant to additional Assessment Contracts;

(2) The principal amount and designation of such Bonds and the denomination or denominations of the Bonds;

(3) The date, the maturity date or dates, the interest payment dates and the dates on which mandatory sinking fund payments are due, if any, for such Bonds; provided,

that (i) the serial Bonds shall be payable as to principal annually on September 2 of each year in which principal falls due, and the term Bonds shall have annual mandatory redemption on September 2, (ii) the Bonds shall be payable as to interest semiannually on March 2 and September 2 of each year, except that the first installment of interest may be payable on either March 2 or September 2 and shall become due on the interest payment date which is six months before the maturity of the first series of Bonds and the interest shall be payable thereafter semiannually on March 2 and September 2, (iii) all Bonds of like maturity shall be identical in all respects, except as to number or denomination, and (iv) serial maturities of serial Bonds or mandatory sinking fund payments for term Bonds, or any combination thereof, shall be established to provide for the redemption or payment of such Bonds on or before their respective maturity dates;

(4) The redemption premiums and terms, if any, for such Bonds;

(5) The form of the Bonds;

(6) The amount to be deposited from the proceeds of sale of such Bonds or other County funds, if any, in the Assessment Bond Reserve Fund to increase the amount therein to an amount at least equal to the Assessment Bond Reserve Requirement for all Outstanding Bonds of the County secured on a parity by the Assessment Installments; and

(7) Such other provisions that are appropriate or necessary and are not inconsistent with the provisions hereof; and

(ii) The County shall be in compliance with all agreements, conditions, covenants and terms contained herein and in all Supplemental Indentures required to be observed or performed by it.

(b) Additional Bonds authorized to be issued under this Section 2.15 may only be issued if no Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) has occurred and is continuing (unless such default is to be remedied upon the issuance of such Additional Bonds) and the Assessment Bond Reserve Requirement is to be satisfied upon the issuance of such Additional Bonds.

Section 2.16. Restrictions on Transfer of Bonds. The transfer of the Bonds shall be restricted [as determined by the County in connection with applicable law and County policy.]

## ARTICLE III

## REDEMPTION OF BONDS

Section 3.1. Mandatory Redemption of Series A Bonds. The Series A Bonds shall be redeemed prior to maturity, in whole or in part on any Interest Payment Date, pro rata among maturities and by lot within a maturity, from prepaid assessments on deposit and available for such purpose in the related Assessment Prepayment Account of the Debt Service Fund, to the extent of and in the manner set forth in Section 4.4(d) of this County Indenture at the redemption price equal to 10_% of the principal amount of the Series A Bonds to be redeemed, together with accrued interest to the date of redemption.

Section 3.2. Optional Redemption of Series A Bonds. The Series A Bonds maturing on or after September 2, 20__ are subject to redemption prior to maturity, in whole or in part on any Interest Payment Date, on and after September 2, 20__, pro rata among maturities and by lot within a maturity, from surplus monies on deposit and available for such purpose in the Debt Service Fund from sources other than those in the Assessment Prepayment Account, at the option of the County at the redemption price equal to the principal amount thereof, together with a premium (expressed as a percentage of the principal amount of Series A Bonds to be redeemed), plus accrued interest to the date of redemption as set forth in the following table:

| **Redemption Dates** | **Redemption Premium** |
|---|---|
| Interest Payment Dates Through [March 2, 20__ – at least five years from date of issuance] | __% |
| September 2, 20__ and March 2, 20__ | __ |
| September 2, 20__ and March 2, 20__ | __ |
| September 2, 20__ and thereafter | __ |

In the event that the County shall elect to redeem the Series A Bonds as provided in this Section 3.2, the County shall give written notice to the Paying Agent of its election to so redeem the Series A Bonds, the redemption date and the principal amount of each Series of Bonds to be redeemed. Such notice shall be given at least [45] days but no more than [75] days prior to the redemption date.

Section 3.3. Mandatory Sinking Fund Redemption of Series A Bonds. The Series A Bonds maturing on September 2, 20__ (the "Series A Term Bonds") are also subject to mandatory sinking fund redemption in part, by lot, on such September 2 from mandatory sinking fund payments deposited into the Debt Service Fund, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium:

| Year | Principal Amount<br>$ |
|---|---|
| * | |

* Maturity.

If some but not all of the Series A Term Bonds maturing on September 2, 20__ are redeemed pursuant to Section 3.1 or Section 3.2 hereof, the principal amount of Series A Term Bonds maturing on September 2, 20__ to be subsequently redeemed pursuant to this subsection shall be reduced by the aggregate principal amount of the Series A Term Bonds maturing on September 2, 20__ so redeemed pursuant to Section 3.1 or Section 3.2 hereof, such reduction to be allocated among redemption dates in amounts of $5,000 or integral multiples thereof, as designated by the County in a written certificate of the County filed with the Fiscal Agent.

In lieu of having the Fiscal Agent deposit cash with the Paying Agent as a mandatory sinking fund payment, the County shall have the option to tender to the Paying Agent

for cancellation any amount of Series A Bonds purchased by the County, which Series A Bonds may be purchased by the County at public or private sale as and when and at such prices as the County may in its discretion determine. The principal amount of any Series A Bonds so purchased by the County and tendered to the Paying Agent in any twelve-month period ending on July 1 in any calendar year shall be credited towards and shall reduce the next mandatory sinking fund payments required to be made in the order in which they are required to be made pursuant to this Section 3.3.

Section 3.4. Selection of Bonds for Redemption. Whenever provision is made in this County Indenture for the redemption of less than all of a Series of Bonds, the Fiscal Agent shall select the Bonds to be redeemed from all Bonds of a Series not previously called for redemption, by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate and fair, subject to compliance with Section 8768 of the Streets and Highways Code as specified in a written certificate of the County. For purposes of such selection, all Bonds of a Series shall be deemed to be comprised of separate $5,000 denominations and such separate denominations shall be treated as separate Bonds which may be separately redeemed.

Section 3.5. Partial Redemption of Bonds. Upon surrender of any Bond to be redeemed in part only, the Paying Agent shall authenticate and deliver to the Owner a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bond surrendered, with the same interest rate and the same maturity and of the same Series. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the County shall be released and discharged thereupon from all liability to the extent of such payment.

Section 3.6. Notice of Redemption. The Paying Agent on behalf and at the expense of the County shall mail (by first class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, at least 30 days (or other shorter period upon the consent of the Owners of any Bonds designed for redemption) but not more than sixty 60 days prior to the date fixed for redemption. Such notice shall state the date of the notice, the redemption date, the redemption place and the Redemption Price and shall designate the CUSIP numbers (if any) of the Bonds to be redeemed, the Bond numbers and the maturity or maturities (except in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the office of the Paying Agent for redemption at the Redemption Price, giving notice also that further interest on such Bonds will not accrue from and after the date fixed for redemption and with regard to optional redemption in the event that funds required to pay the redemption price are not on deposit under the Paying Agent Agreement at the time the notice of redemption is sent, a statement to the effect that the redemption is conditioned upon the receipt of the appropriate funds required to pay the redemption price by the Paying Agent on or prior to the redemption date. Neither the failure to receive any notice so mailed, nor any defect in such notice, shall affect the sufficiency of the proceedings for the redemption of the Bonds or the cessation of accrual of interest thereon from and after the date fixed for redemption. The County has the right to rescind any optional redemption from prepayments of unpaid assessments by written notice to the Paying Agent on or prior to the date fixed for redemption. Any notice of redemption shall be canceled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full

of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The Paying Agent shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

If the Bonds are issued in book-entry form, notice shall also be provided to the Securities Depositories and the Information Services.

Section 3.7. Effect of Notice and Availability of Redemption Price. Notice of redemption having been duly given as aforesaid, and the amount necessary for the redemption having been made available for that purpose and being available therefor on the date fixed for such redemption: (1) the Bonds, or portions thereof, designated for redemption shall, on the date fixed for redemption, become due and payable at the redemption price thereof as provided in this County Indenture, anything in this County Indenture or in the Bonds to the contrary notwithstanding; (2) upon presentation and surrender thereof at the office of the Paying Agent, such Bonds shall be redeemed at the redemption price; (3) from and after the Redemption Date, the Bonds or portions thereof so designated for redemption shall be deemed to be no longer Outstanding and such Bonds or portions thereof shall cease to accrue interest; and (4) from and after the date fixed for redemption no Owner of any of the Bonds or portions thereof so designated for redemption shall be entitled to any of the benefits of this County Indenture or to any other rights, except with respect to payment of the redemption price and interest accrued to the Redemption Date from the amounts so made available.

## ARTICLE IV

## FUNDS AND ACCOUNTS

Section 4.1. Establishment of Funds and Accounts. The following funds and accounts are hereby created and established and shall be maintained by the Fiscal Agent for the administration and control of the proceeds of the Bonds, the Revenues and any related moneys:

(a) Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Bonds Improvement Fund (the "Improvement Fund"), within which there shall be a separate account with appropriate designations for each Series of New Money Assessment Bonds;

(b) Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Bonds Escrow Fund (the "Escrow Fund"), within which there shall be a separate account with appropriate designations for each Series of Refunding Assessment Bonds;

(c) Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Bonds Debt Service Fund (the "Debt Service Fund"), within which there shall be established (A) the Assessment Payment Account (the "Assessment Payment Account"); and (B) the Assessment Prepayment Account (the "Assessment Prepayment Account");

(d) Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Bonds Reserve Fund (the "Assessment Bond Reserve Fund"); and

(e) Los Angeles County Energy Program Contractual Assessment Limited Obligation Improvement Bonds Costs of Issuance Fund (the "Costs of Issuance Fund"), within which there shall be a separate account with appropriate designations for each Series of Bonds.

The funds and accounts established herein may be subdivided into accounts and sub-accounts, as applicable, to perform the necessary rebate calculations or to administer the funds as provided in this County Indenture.

Section 4.2. Application of Proceeds of the Series A Bonds. On the Closing Date for the Series A Bonds, the proceeds of the sale of the Series A Bonds in the amount of $_____ shall be paid to the Fiscal Agent and transferred or deposited by the Fiscal Agent as follows:

(a) $_____ in the account within the Improvement Fund established for the Series A Bonds;

(b) $_____ in the Assessment Bond Reserve Fund, constituting the full amount of the Assessment Bond Reserve Requirement; and

(c) $_____ in the account within the Costs of Issuance Fund established for the Series A Bonds.

Section 4.3. Improvement Fund. The Fiscal Agent hereby agrees to maintain the Improvement Fund and the accounts therein, into which shall be deposited the balance of the proceeds of sale of the Bonds pursuant to Section 2.3, after making the deposits to the Escrow Fund required (if any) by Section 4.9, if any. The Fiscal Agent may establish in the Improvement Fund one or more accounts as it may deem necessary or convenient for the purpose of holding the proceeds of separate Series of Bonds. Moneys in the Improvement Fund or in any accounts therein shall be disbursed by the Fiscal Agent to the County in accordance with Section 4.2(a) hereof or as otherwise provided in a written request of the County provided to the Fiscal Agent.

Section 4.4. Debt Service Fund and Accounts. (a) The Fiscal Agent hereby agrees to maintain the Debt Service Fund (the "Debt Service Fund") and the accounts therein until all payments of principal of and premium (if any) and interest on the Bonds have been made and all of the Bonds have been paid or redeemed. The Fiscal Agent shall establish within the Debt Service Fund an Assessment Payment Account and an Assessment Prepayment Account. All sums received by the County pursuant to the related Contractual Assessment in connection with the collection of Assessment Installments, including any redemption period interest and penalties thereon and the proceeds of the exercise of any of the remedies for delinquent payments available hereunder or under the 1913 Act or the 1915 Act, shall be deposited and held in the Assessment Payment Account of the Debt Service Fund relating to the Series of Bonds to which such Revenues are pledged as security.

(b) The Paying Agent shall make payments of interest and principal, respectively, due and payable with respect to Bonds from monies which shall be transferred to it by the Fiscal Agent on or before such date from the Assessment Payment Account of the Debt Service Fund on each Interest Payment Date and each Principal Payment Date. In the event of any deficiency in the Assessment Payment Account for payment of principal of and interest on

the Bonds, the Fiscal Agent shall, to the extent available, transfer amounts from the Assessment Bond Reserve Fund to the Assessment Payment Account or directly to the Paying Agent in accordance with Section 4.7 hereof for application first to the payment of interest on the Bonds, and then to the payment of principal due on such Bonds and then to the payment of principal due on such Bonds or any portion thereof called for redemption pursuant to Section 3.2 hereof.

On each September 2 beginning on the first Principal Payment Date, all monies in the Assessment Payment Account in excess of the amount necessary to make the payments of principal of and interest on the Bonds then due or overdue and payable on such date (assuming all Owners entitled to payment on or before such date take or have taken any and all actions necessary on their part to receive amounts due them) shall be applied as follows:

(i) first, the moneys shall be transferred to the Program Expense Fund (in which case such moneys shall be released from the pledge and lien hereunder), unless the Treasurer determines in his sole discretion that amounts then on deposit in the Program Expense Fund are sufficient to pay anticipated costs and expenses to be incurred by the County in connection with administration of LACEP for the next 12 months and anticipated costs and expenses to be incurred by the County, Paying Agent and the Fiscal Agent in connection with the Bonds for the next twelve (12) months, in which event the Treasurer may, but is not required to, apply such excess monies in accordance with paragraphs (ii) and (iii) below;

(ii) second, the remaining moneys shall be transferred to the Reserve Fund to the extent of any deficiency therein, for application in accordance with Section 4.7 hereof; and

(ii) third, any remaining moneys shall be transferred to the Assessment Prepayment Account of the Debt Service Fund for application to the redemption of the Bonds pursuant to Section 3.2 hereof.

(c) Amounts received from, or on behalf of, any property owner as prepayment under the applicable Assessment Contract shall be deposited by the Fiscal Agent in the Assessment Prepayment Account of the Debt Service Fund for application pursuant to Section 4.5(b) hereof. The Fiscal Agent shall deposit in the Assessment Prepayment Account amounts transferred to such account from the Assessment Bond Reserve Fund pursuant to Section 4.7 below. Amounts in the Assessment Prepayment Account shall be used to pay the principal of and redemption premium on Bonds the maturities of which shall have been advanced pursuant to Parts 11 or 11.1 of the 1915 Act, codified as Sections 8750 et seq. and 8760 et seq. of the California Streets and Highways Code. The Paying Agent, at the direction of the Treasurer if the Paying Agent is not the Treasurer, shall advance the maturity of and call Bonds for redemption pursuant to this County Indenture and the 1915 Act whenever and to the extent surplus monies are on deposit in the Assessment Prepayment Account sufficient to pay the principal of Bonds in integral $5,000 amounts plus the redemption premium thereon. On or after each Redemption Date, or prior thereto with the consent of the Treasurer, upon presentation and surrender thereof, the Paying Agent shall pay the principal of and redemption premium on each Bond the maturity of which has been so advanced from the Assessment Prepayment Account. Interest accrued on each such Bond to the earlier of the payment date or Redemption Date shall be paid from monies transferred to the Paying Agent on or before such date by the Fiscal Agent from the Assessment Payment Account of the Debt Service Fund.

(d) If there is a surplus remaining in any account in the Debt Service Fund after payment of all Bonds and the interest thereon, plus applicable redemption premium (if any), that surplus shall be released from the pledge and lien hereof and transferred to the County to be used for the benefit of the LACEP.

Section 4.5. Assessment Prepayments. (a) The Bonds of a Series shall be prepaid to the extent any owner of assessed land may prepay the Assessment of an Assessment Contract.

(b) Upon prepayment of an Assessment pursuant to subsection (a) above, the Fiscal Agent shall deposit such payment in the Debt Service Fund for payment to Owners of the corresponding Bonds to be redeemed in accordance with Section 3.1. If notice of redemption is given in accordance with Section 3.6 hereof, the Bonds so advanced shall mature and become payable as set forth in Section 3.7 hereof.

Section 4.6. Costs of Issuance Fund. The Fiscal Agent hereby agrees to maintain the Costs of Issuance Fund and the accounts therein. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Fiscal Agent from time to time to pay the Costs of Issuance upon submission of a Disbursement Request of the County, substantially in the form of Exhibit B hereto, stating (a) the Person to whom payment is to be made, (b) the amount to be paid, (c) the purpose for which the obligation was incurred, (d) that such payment is a proper charge against the applicable account of the Costs of Issuance Fund, and (e) that such amounts have not been the subject of a prior disbursement from the applicable account of the Costs of Issuance Fund; in each case together with a statement or invoice for each amount requested thereunder. On or before 180 days following the issuance of a Series of Bonds, the Fiscal Agent shall transfer all amounts (if any) remaining in the Costs of Issuance Fund to the Debt Service Fund.

Section 4.7. Assessment Bond Reserve Fund. (a) The Fiscal Agent hereby agrees to maintain and hold in trust a special fund designated the "Assessment Bond Reserve Fund" until all payments of principal of and premium (if any) and interest on the Bonds have been made and all Bonds have been paid or redeemed. At the time of issuance of a Series of the Bonds, there shall be deposited in the Assessment Bond Reserve Fund an amount that will, together with amounts on deposit in the Assessment Bond Reserve Fund, equal the Assessment Bond Reserve Requirement. There shall be maintained in the Assessment Bond Reserve Fund an amount equal to the Assessment Bond Reserve Requirement. Additional deposits shall be made as provided in the 1915 Act and this County Indenture.

The County shall cause the Assessment Bond Reserve Fund to be administered in accordance with Part 16 of the 1915 Act; provided that proceeds from redemption or sale of properties, with respect to which payment of delinquent Assessments and interest thereon was made from the Assessment Bond Reserve Fund, shall be credited to the Assessment Bond Reserve Fund.

(b) Moneys in the Assessment Bond Reserve Fund shall be used solely for the purpose of paying the principal of and interest on the Bonds (i) in the event of early prepayment of assessments in an amount which shall equal the ratio of the total amount initially provided for

the Assessment Bond Reserve Fund to the total amount originally assessed in the proceedings for the Bonds said ratio multiplied by the amount of the prepayment, (ii) or in the event that the moneys in the Debt Service Fund are insufficient therefor, and the Fiscal Agent shall withdraw from the Assessment Bond Reserve Fund and deposit in the Debt Service Fund moneys necessary for such purpose.

(c) On each September 2, the Fiscal Agent shall transfer to the Assessment Bond Reserve Fund any excess amounts in the Assessment Payment Account of the Debt Service Fund pursuant to the second paragraph of Section 4.4(b). On each September 2 the Fiscal Agent shall, after making any transfer called for by the preceding sentence, determine whether amounts then on deposit in the Assessment Bond Reserve Fund are less than, equal to or exceed the Assessment Bond Reserve Requirement. Any such excess shall, to the extent permitted by law, be applied by the Fiscal Agent as follows:

(i) First, to the Assessment Payment Account of the Debt Service Fund to be applied to the payment of principal or interest due on the Bonds; and

(ii) Second, to the Assessment Prepayment Account of the Debt Service Fund for application to the redemption of Bonds pursuant to Section 3.2 hereof.

(d) Whenever, after the issuance of the Bonds, an Assessment is prepaid, in whole or in part, as provided in the 1915 Act, the Fiscal Agent, pursuant to a Written Request of the County, shall transfer from the Assessment Bond Reserve Fund to the Debt Service Fund an amount, specified in such Written Request, equal to the product of the ratio of the original amount of the Assessment so paid to the original amount of all unpaid Assessments, times the initial Assessment Bond Reserve Requirement; provided, however, no such transfer shall be made if after the transfer the amounts in the Assessment Bond Reserve Fund then remaining will not equal the Assessment Bond Reserve Requirement. The Fiscal Agent may conclusively rely upon the County's determination that the remaining funds equal the Assessment Bond Reserve Requirement.

(e) So long as no Event of Default shall have occurred and be continuing any amount in the Assessment Bond Reserve Fund in excess of the Assessment Bond Reserve Requirement on December 15 and June 15 of each year shall be withdrawn from the Assessment Bond Reserve Fund by the Fiscal Agent and shall be deposited in the Debt Service Fund.

(f) Whenever the balance in the Assessment Bond Reserve Fund is sufficient to retire all the Outstanding Bonds, whether by advance retirement or otherwise, collection of the principal and interest on the Assessments shall be discontinued and the Assessment Bond Reserve Fund liquidated by the Fiscal Agent in retirement of the Outstanding Bonds, as directed by a Written Request of the County. In the event that the balance in the Assessment Bond Reserve Fund at the time of liquidation exceeds the amount required to retire all of the Outstanding Bonds, the excess shall, after payment of amounts due to the Fiscal Agent, be transferred to the County to be used in accordance with the JPA Act and the 1915 Act.

(g) All amounts remaining in the Assessment Bond Reserve Fund in the year in which the last Assessments become due and payable shall be credited toward said

Assessments and transferred to the Debt Service Fund pursuant to a Written Request of the County.

(h) All or a portion of the Assessment Bond Reserve Requirement may be satisfied by the provision of one or more policies of municipal bond insurance or surety bonds issued by a municipal bond insurer or by a letter of credit issued by a bank, the obligations insured by which insurer or issued by which bank, as the case may be, having ratings at the time of issuance of such policy or surety bond or letter of credit equal to "AA" or higher assigned by Fitch or "Aa" or higher assigned by Moody's or "AA" or higher assigned by Standard & Poor's.

Section 4.8. Program Expense Fund. There has been heretofore established a fund within the Energy Fund called the Program Expense Fund and held by the County. There will be deposited in the Program Expense Fund (i) the amounts received by the Treasurer with respect to each parcel in each Fiscal Year in satisfaction of the Annual Administrative Assessment pursuant to the Assessment Contracts and (ii) the amounts, exclusive of Revenues, deducted from Assessments and set-aside to pay the costs and expenses[, up to a maximum of $_____ in each Fiscal Year], incurred by the County in connection with the capitalized costs of establishing and administering LACEP. Amounts on deposit in the Program Expense Fund shall be used by the County to pay for ordinary and necessary costs of administering the levy and collection of the Assessments and all other administrative costs and incidental expenses related to the Series A Bonds, as well as the capitalized costs of establishing and administering LACEP. On each June 30, amounts in excess of the Annual Administrative Assessments expected to be incurred through the next succeeding September 2 may be applied as a credit upon the assessment levied for the upcoming fiscal year for Annual Administrative Assessments. Any surplus remaining in the Program Expense Fund after payment or provision for payment of all Administrative Expenses and other costs in connection with establishing and administering LACEP incurred or expected to be incurred through and including activities relating to the payment in full of the Bonds may be transferred to the County for the benefit of LACEP.

Section 4.9. Escrow Fund; Refunding Assessment Bonds. (a) The Fiscal Agent hereby agrees to maintain the Escrow Fund and the accounts therein, into which shall be deposited net proceeds of Refunding Assessment Bonds to be used to redeem Outstanding Prior Assessment Bonds.

(b) In accordance with Section 9.1 of this County Indenture, upon the issuance of any Series of Refunding Assessment Bonds, the County shall cause to be deposited with the Fiscal Agent in the applicable account of the Escrow Fund the following: (i) the then Outstanding principal amount of the Prior Assessment Bonds being refunded and defeased by such Series of Refunding Assessment Bonds, and (ii) interest accrued and unpaid on such Prior Assessment Bonds to the Redemption Date.

(c) Upon receipt of the moneys described in subsection (b) above, the Fiscal Agent shall pay such moneys to the Owners of the Prior Assessment Bonds for the equal and ratable benefit of such Owners. A Redemption Notice shall be provided by the Fiscal Agent to the Owners of the Prior Assessment Bonds in accordance with Section 3.6.

(d) The County and the Fiscal Agent represent and agree that, concurrently with the initial deposit of the moneys in the applicable account of the Escrow Fund pursuant to this Section 4.8, (i) the Prior Assessment Bonds will no longer be deemed to be Outstanding and unpaid within the meaning and with the effect expressed in Section 9.1 of this County Indenture, [and (ii) the related Authority Revenue Bonds of the Authority will no longer be deemed to be outstanding and unpaid within the meaning and with the effect expressed in the Authority Indenture].

(e) Monies remaining on deposit in any account of the Escrow Fund after payment of all amounts to the Owners of the applicable Series of Prior Assessment Bonds shall be released to the County for the benefit of the LACEP within five (5) Business Days after such payment to the Owners of the applicable Series of Prior Assessment Bonds,

Section 4.10. Investments. (a) Except for any escrow fund established hereunder (and the accounts therein), all moneys in any of the funds or accounts established pursuant to this County Indenture shall be invested by the Fiscal Agent solely in Authorized Investments. All moneys in any escrow fund established hereunder (and the accounts therein) shall be invested by the Fiscal Agent solely in Federal Securities. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account. Moneys in the Debt Service Fund and the accounts therein shall be invested only in obligations which will by their terms mature on such dates as to ensure the timely payment of principal and interest on the corresponding Bonds as the same become due.

(b) All interest or gain derived from the investment of amounts in any of the funds or accounts hereunder shall be deposited in the fund or account from which such investment was made. The Fiscal Agent shall incur no liability for losses arising from any investments made pursuant to this Section.

(c) For the purpose of determining the amount in any fund or account hereunder, the value of investments credited to such fund or account shall be calculated at the cost thereof, excluding accrued interest and brokerage commissions, if any.

(d) The Fiscal Agent shall sell at the best price obtainable or present for redemption any obligations so purchased whenever it may be necessary to do so in order to provide moneys to meet any payment or transfer for such funds and accounts or from such funds and accounts. For the purpose of determining at any given time the balance in any fund or account, any such investments constituting a part of such fund and account shall be valued at their amortized cost.

## ARTICLE V

## COVENANTS

So long as any of the Bonds issued hereunder are outstanding, the County makes the following covenants with the Owners (to be performed by the County or its proper officers, agents or employees), which covenants are necessary, convenient and desirable to secure the

Bonds; provided, however, that said covenants do not require the County to expend any funds other than the Revenues.

Section 5.1. Compliance with Indenture. The County will faithfully observe and perform all of the conditions, covenants and requirements of this County Indenture required to be observed or performed by it.

Section 5.2. General. The County shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the County under the provisions of this County Indenture. The County warrants that upon the date of execution and delivery of the Bonds, all conditions, acts and things required by law and this County Indenture to exist, to have happened and to have been performed precedent to and in the execution and delivery of such Bonds do exist, have happened and have been performed and the execution and delivery of the Bonds shall comply in all respects with the applicable laws of the State.

Section 5.3. Punctual Payment. The County shall punctually pay or cause to be paid the principal, premium (if any) and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this County Indenture, according to the true intent and meaning thereof, but only out of Revenues and other moneys pledged for such payment as provided in this County Indenture and received by the County or the Fiscal Agent hereunder.

Section 5.4. Extension of Payment of Bonds. The County shall not directly or indirectly extend the maturity dates of the Bonds or the time of payment of interest with respect thereto. Nothing herein shall be deemed to limit the right of the County to issue any securities for the purpose of providing funds for the redemption of the Bonds and such issuance shall not be deemed to constitute an extension of the maturity of the Bonds.

Section 5.5. Protection of Rights. The County will preserve and protect the security of the Bonds and the rights of the Owners against all claims and demands of all persons, and will faithfully perform and abide by all of the covenants, undertakings and provisions contained in this County Indenture or in any Bond issued pursuant to this County Indenture and will contest by court action or otherwise (a) the assertion by any officer of any government unit or any other person whatsoever against the County that (i) the 1915 Act or the Contractual Assessment Law is unconstitutional, (ii) the Assessments are invalid, or (iii) the Assessments cannot be applied by the County to pay debt service on the Bonds, or (b) any other action affecting the validity of the Bonds or diluting the security therefor.

Section 5.6. Against Encumbrances. The County will not encumber, pledge or place any charge or lien upon any of the Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by this County Indenture.

Section 5.7. Deferral of Assessments. The County will refrain from directly or indirectly extending or deferring the payment of any Assessment Installment.

Section 5.8. Accounting Records and Statements. The County will keep or cause to be kept proper accounting records in which complete and correct entries shall be made of all transactions relating to the receipt, deposit and disbursement of the Assessment Installments, and such accounting records shall be available for inspection upon five (5) business days' written notice by any Owner or such Owner's agent duly authorized in writing at reasonable hours and under reasonable conditions.

Section 5.9. Covenant to Foreclose. (a) The County will initiate procedures to determine or cause to be determined if any Assessment was not paid when due during the fiscal year ended the prior June 30. If any such assessment was not paid and if the balance in the Assessment Bond Reserve Fund is less than the Assessment Bond Reserve Requirement, the County shall, upon the written request of the Owners pursuant to Section 8.2(b) hereof, send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner, and if the delinquency remains uncured within 90 days of such notice, order and cause to be commenced, and thereafter prosecute to completion pursuant to Section 8830 et seq. of the California Streets and Highways Code, judicial foreclosure proceedings upon the lien of delinquent unpaid assessments as necessary or desirable to result in assessment revenues sufficient to pay any delinquent principal of or interest on the Bonds and satisfy the Assessment Bond Reserve Requirement. Upon the redemption or sale of the real property responsible for such delinquent Assessment Installments, or resale as provided below, the County shall deposit to the Assessment Bond Reserve Fund, the amount of any delinquency advanced therefrom to the Debt Service Fund for payment of interest on or principal of Bonds.

(b) In the event that real property with an Assessment is neither redeemed by the owner thereof nor sold to a third party purchaser at such foreclosure sale, the County may, but shall not be obligated to, cause a credit bid on behalf of and in the name of the County to be entered in the amount due the County and shall cause a sheriff's deed for said real property to be executed in the name of the County. The proceeds from any resale of such real property on which there is an Assessment shall be applied in the following order: (i) to make any past due payments of principal of or interest on the Bonds, (ii) to restore the Assessment Bond Reserve Fund to the Assessment Bond Reserve Requirement, (iii) to the payment of any continuing costs of the Bonds, and (iv) for the redemption of Bonds pursuant to Section 3.2 hereof with credit for such redemption credited pro rata against all Assessments.

(c) In the event that the Treasurer and the County make the determinations described in the Sections 8770-8772 of the 1915 Act in connection with the prospects of an ultimate loss accruing to the bondholders, the County, the Treasurer and the Fiscal Agent shall take the actions required by Sections 8770-8784 of said Act and Owners of Bonds shall be deemed to have consented to do such things as are required by such Sections of Owners of Bonds.

Section 5.10. Further Assurances. The County will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of its duties under this County Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this County Indenture.

## ARTICLE VI

## PAYING AGENT AND FISCAL AGENT

Section 6.1. Paying Agent and Fiscal Agent. The County hereby appoints the Treasurer of the County, or his designated agents, as the Paying Agent and the Auditor, or his designated agents, as the Fiscal Agent for the Bonds.

The Paying Agent is hereby authorized to and shall mail interest payments to the Owners, select Bonds for redemption, give notice of redemption and maintain the Bond Register. The Paying Agent is hereby authorized to and shall pay, from funds on deposit for such purposes hereunder, the principal of and premium, if any, on the Bonds when the same are duly presented to it for payment at maturity or on call and redemption, provide for the registration of transfer and exchange of Bonds presented to it for such purposes, provide for the cancellation of Bonds all as provided in this County Indenture, and provide for the authentication of Bonds, and shall perform all other duties assigned to or imposed on it as provided in this County Indenture. The Paying Agent shall keep accurate records of all Bonds paid and discharged by it.

The Fiscal Agent is also authorized to and shall maintain and administer funds and accounts established pursuant to Section 4.1 hereof. The Fiscal Agent shall keep accurate records of all funds administered by it. The County further authorizes and designates the Auditor to perform those functions of the Fiscal Agent set forth herein which, pursuant to the Contractual Assessment Law and the provisions incorporated therein by reference, are to be performed by the treasurer.

Each of the initially appointed Paying Agent and Fiscal Agent may contract with any third party to perform any or all of their obligations and duties under this County Indenture. The Paying Agent and Fiscal Agent may each be removed by the County and a successor or successors may be appointed. So long as any Bonds are Outstanding and unpaid, the Paying Agent, the Fiscal Agent and any successor or successors thereto designated by the County shall continue to be Paying Agent and Fiscal Agent, respectively, of the County for all of said purposes until the designation of a successor or successors.

Section 6.2. Liability of Paying Agent and Fiscal Agent. The recitals of fact and all promises, covenants and agreements contained herein and in the Bonds shall be taken as statements, promises, covenants and agreements of the County, and the Paying Agent and the Fiscal Agent assume no responsibility for the correctness of the same and makes no representations as to the validity or sufficiency of this County Indenture or of the Bonds, and shall incur no responsibility in respect thereof, other than in connection with its duties or obligations set forth herein or in the Bonds or in the certificate of authentication and registration assigned to or imposed upon the Paying Agent or the Fiscal Agent, as applicable. The Paying Agent shall be under no responsibility or duty with respect to the issuance of the Bonds for value. Neither the Paying Agent nor the Fiscal Agent shall be liable in connection with the performance of their respective duties hereunder, except for their respective negligence or default.

Section 6.3. Compensation. The County shall pay, from the Program Expense Fund, to the Fiscal Agent from time to time reasonable compensation for all services rendered under this County Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this County Indenture. Other than funds on deposit in the Program Expense Fund, in no event shall the County be required to expend its own funds hereunder or under the Assessment Contracts.

## ARTICLE VII

## SUPPLEMENTAL INDENTURES

Section 7.1. Supplemental Indenture Without Owner Consent. The County may from time to time, and at any time, without notice to or consent of any of the Owners enter into such indentures or agreements supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental indentures or agreements shall thereafter form a part hereof) for any of the following purposes:

(a) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provision with respect to matters or questions arising under this County Indenture or in any supplemental indenture, provided that such action shall not adversely affect the interests of the Owners;

(b) to add to the covenants and agreements of and the limitations and the restrictions upon the County contained in this County Indenture other covenants, agreements, limitations and restrictions to be observed by the County which are not contrary to or inconsistent with this County Indenture as theretofore in effect;

(c) to modify, alter, amend or supplement this County Indenture in any other respect which is not materially adverse to the interests of the Owners of Bonds Outstanding hereunder [and, in the opinion of Bond Counsel, is not materially adverse to the holders of the related Authority Bonds then Outstanding]; and

(d) to provide for the issuance of any Additional Bonds and to provide the terms of such Additional Bonds, subject to the conditions and upon compliance with the procedure set forth in Section 2.15 hereof.

Section 7.2. Supplemental Indentures with Owner Consent. Except as provided in Section 7.1, the Owners of not less than sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding [and the holders of not less than sixty percent (60%) in aggregate principal amount of the Authority Bonds then outstanding] shall have the right to consent to and approve the execution of such supplemental indentures as shall be deemed necessary or desirable for the purpose of waiving, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this County Indenture or in any supplemental indenture or agreement; provided, however, that nothing herein shall permit, or be construed as permitting, (a) an extension of the scheduled date of the principal payment of any Bond, or the payment date of interest on, any Bond without the consent of the Owner of such

Bond, (b) a reduction in the principal amount of, or redemption price of, any Bond or the rate of interest thereon without the consent of the Owner of such Bond, (c) a reduction in the percentage of Bonds the Owners of which are required to consent to such supplemental indenture, without the consent of the Owners of all Bonds then Outstanding. Except as provided in Section 2.15 hereof, in no event may a modification or amendment provide for the issuance of additional bonds, notes or other evidences of indebtedness payable out of the Revenues.

Section 7.3. Notice of Supplemental Indenture to Owners. If at any time the parties hereto shall desire to enter into an indenture supplemental hereto, which pursuant to the terms of Section 7.2 shall require the consent of the Owners, the County shall cause notice of the proposed supplemental indenture to be mailed, postage prepaid, to all Owners at their addresses as they appear in the Registration Books. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that a copy thereof is on file at the office of the County for inspection by all Owners. The failure of any Owner to receive such notice shall not affect the validity of such supplemental indenture when consented to and approved as in Section 7.2 provided. Whenever at any time within one year after the date of the first mailing of such notice, the County shall receive an instrument or instruments purporting to be executed by the Owners of not less than sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed supplemental indenture described in such notice, and shall specifically consent to and approve it substantially in the form of the copy thereof referred to in such notice as on file with the County, such proposed supplemental indenture, when duly executed by the County, shall thereafter become a part of the proceedings for the issuance of the Bonds. In determining whether the Owners of the requisite aggregate principal amount of the Bonds have consented to the adoption of any supplemental indenture, Bonds which are owned by the County, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the County, shall be disregarded and shall be treated as though they were not Outstanding for the purpose of any such determination.

Upon the execution and delivery of any indenture supplemental hereto and the receipt of consent to any such supplemental indenture from the Owners of the appropriate aggregate principal amount of Bonds in instances where such consent is required, this County Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this County Indenture of the County, the Fiscal Agent, the Payment Agent and all Owners of Bonds then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

## ARTICLE VIII

## DEFAULT

Section 8.1. Events of Default. Any one or more of the following events shall constitute an "Event of Default":

(a) Default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) Default in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable; or

(c) Default by the County in the observance of any of the agreements, conditions or covenants on its part in this County Indenture or in the Bonds contained (other than a payment default referred to in subparagraphs (a) and (b) above), and the continuation of such default for a period of 60 days after the County shall have been given notice in writing of such default by any Owner; provided that if within 60 days the County has commenced curing of the default and diligently pursues elimination thereof, such period shall be extended to permit such default to be eliminated.

Section 8.2. Remedies on Default. (a) If any installment of principal or interest on any Bond is not paid when due, the owner of such Bond shall have the right to exercise such rights and remedies as are provided to such owner under the Contractual Assessment Law or under other applicable law.

(b) In the event the County fails to take any action to eliminate an Event of Default under Section 8.1 hereof, the Owners of not less than sixty percent (60%) in aggregate principal amount of Outstanding Bonds [and the holders of not less than sixty percent (60%) in aggregate principal amount of the related series of Authority Revenue Bonds then outstanding] may institute any suit, action, mandamus or other proceeding in equity or at law for the protection or enforcement of any right under this County Indenture, but only if such Owners have first made written request of the County, after the right to exercise such powers or right of action shall have occurred, and shall have afforded the County a reasonable opportunity either to proceed to exercise the powers granted herein or granted under law or to institute such action, suit or proceeding in its name and unless also, the County shall have been offered reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the County shall have refused or neglected to comply with such request within a reasonable time. Any moneys recovered in such suit, action, mandamus or other proceedings shall be applied first to the payment of the reasonable costs and expenses of the Owners in bringing such suit, action, mandamus or other proceeding, including reasonable compensation to their agents and attorney.

(c) The principal of the Bonds shall not be subject to acceleration.

Section 8.3. Remedies Not Exclusive; Non-Waiver. No remedy conferred hereby upon any Owner is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by the 1915 Act, the Contractual Assessment Law, or any other law of the State. No waiver of any default or breach of duty or contract by any Owner shall affect any subsequent default or breach of duty or contract or shall impair any rights or remedies on said subsequent default or breach. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be

construed as a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners may be enforced and exercised as often as may be deemed expedient. In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and the Owner shall prevail, said Owner shall be entitled to receive reimbursement for reasonable costs, expenses, outlays and attorney's fees and should said suit, action or proceeding be abandoned, or be determined adversely to the Owners then, and in every such case, the County and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.4. Limited Liability of the County to the Owners; No Liability of the County. Except for the collection of the Revenues and the observance and performance of the other conditions, covenants and terms contained herein or in the 1915 Act or the Contractual Assessment Law required to be observed or performed by it, the County shall not have any obligation or liability to the Owners with respect to this County Indenture or the preparation, authentication, delivery, transfer, exchange or cancellation of the Bonds. The County has determined that no funds of the County will be available to pay principal of, premium, if any, or interest on the Bonds. The County has determined that pursuant to the Contractual Assessment Law, the County will not obligate itself to advance available funds from the County's treasury to cure any deficiency which may occur in the Debt Service Fund.

## ARTICLE IX

## MISCELLANEOUS

Section 9.1. Defeasance. If all Outstanding Bonds of a Series shall be paid and discharged in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest with respect to all Bonds of such Series then Outstanding, as and when the same become due and payable;

(b) by depositing with the Fiscal Agent, at or before maturity, an amount which, together with the amounts then on deposit in the corresponding account of the Debt Service Fund, is fully sufficient to pay the principal of and redemption premium (if any) and interest on all Bonds of such Series then Outstanding as and when the same shall become due and payable or, in the event of redemption thereof, before their respective Maturity Dates; or

(c) by depositing with the Fiscal Agent Federal Securities in such amount as the County shall determine, as verified by a nationally recognized Independent Public Accountant, will, together with the interest to accrue thereon and moneys then on deposit in the corresponding account of the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge the principal of, and premium (if any) and interest on all Bonds of such Series then Outstanding as and when the same shall become due and payable;

then, at the election of the County, and notwithstanding that any Bonds of such Series shall not have been surrendered for payment, all obligations of the County under this County Indenture with respect to all Outstanding Bonds of such Series shall cease and terminate, except for (i) the obligation of the Treasurer to pay or cause to be paid to the Owners of the Bonds of such Series

not so surrendered and paid, all sums due thereon, and (ii) the County's obligations under Section 5.3 [; provided that Authority Revenue Bonds issued by the Authority which are secured solely by payments to be made by the County pursuant to the related Bond shall have been paid as provided in the Authority Indenture]. Any funds held by the Fiscal Agent in such account of the Debt Service Fund, at the time of receipt of such notice from the County, which are not required for the purpose above mentioned, shall be transferred to the County to be used for the benefit of the LACEP.

Section 9.2. Cancellation of Bonds. All Bonds surrendered to the Fiscal Agent for payment upon maturity or redemption shall upon payment therefor be canceled immediately and forthwith transmitted to or upon the order of the County. All of the canceled Bonds shall be transferred to and shall remain in the custody of the Fiscal Agent until destroyed by the Fiscal Agent pursuant to due authorization.

Section 9.3. Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this County Indenture to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Owners in person or by their attorneys appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Bonds. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, and of the ownership of Bonds shall be sufficient for the purposes of this County Indenture (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his or her attorney of any such instrument and of any instrument appointing any such attorney, may be proved by a signature guarantee of any bank or trust company located within the United States of America. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such signature guarantee shall also constitute sufficient proof of his or her authority.

(b) As to any Bond, the person in whose name the same shall be registered in the Bond Register shall be deemed and regarded as the absolute Owner thereof for all purposes, and payment of or on account of the principal of any such Bond, and the interest thereon, shall be made only to or upon the order of the registered Owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond and the interest thereon to the extent of the sum or sums so paid. The Fiscal Agent shall not be affected by any notice to the contrary.

Nothing in this County Indenture shall be construed as limiting the Fiscal Agent to such proof, it being intended that the Fiscal Agent may accept any other evidence of the matters herein stated which the Fiscal Agent may deem sufficient. Any request or consent of the Owner of any Bond shall bind every future Owner of the same Bond in respect of anything done or suffered to be done by the Fiscal Agent in pursuance of such request or consent.

Section 9.4. Provisions Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall

hold the same from time to time, this County Indenture shall be deemed to be and shall constitute a contract between the County and the Owners from time to time of the Bonds; and the pledge made in this County Indenture and the covenants and agreements herein set forth to be performed on behalf of the County shall be for the equal benefit, protection and security of the owners of any and all of the Bonds, all of which, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or permitted by this County Indenture.

Section 9.5. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this County Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period after such date.

Section 9.6. Disqualified Bonds. In the event of a later transfer of the Bonds in accordance with Section 2.7 hereof, in determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this County Indenture, Bonds which are owned or held by or for the account of the County shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, provided, however, that for the purpose of determining whether the Fiscal Agent shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Fiscal Agent knows to be so owned or held shall be disregarded.

Section 9.7. Severability. If any covenant, agreement or provision, or any portion thereof, contained in this County Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this County Indenture and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this County Indenture and the Bonds issued pursuant hereto shall remain valid and the Owners shall retain all valid rights and benefits accorded to them under this County Indenture and the Constitution and laws of the State.

Section 9.8. Notice. Any notice, demand, direction, request or other instrument authorized or required by this County Indenture to be given to or filed with the County, the Paying Agent or the Fiscal Agent shall be deemed to have been sufficiently given or filed for all purposes of this County Indenture if and when delivered to or sent by certified mail, return receipt requested to:

| | |
|---|---|
| County: | County of Los Angeles<br>500 West Temple Street, Room 437<br>Los Angeles, California<br>Attention: Treasurer and Tax Collector |
| Paying Agent: | County of Los Angeles<br>500 West Temple Street, Room 437<br>Los Angeles, California<br>Attention: Treasurer and Tax Collector |
| Fiscal Agent: | County of Los Angeles<br>500 West Temple Street, Room 603<br>Los Angeles, California<br>Attention: Auditor-Controller |

All documents received by the Fiscal Agent or the Paying Agent under the provisions of this County Indenture shall be retained in its possession, subject at all reasonable times to the inspection of the County, any Owner, and the agents and representatives thereof.

Section 9.9. No Personal Liability. The County and the officer, agent or employee thereof shall not be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such entity, officer, agent or employee from the performance of any official duty provided by law.

Section 9.10. Employment of Agents by the County. In order to perform its duties and obligations hereunder, the County may employ such persons or entities as it deems necessary or advisable. The County shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

Section 9.11. Counterparts. This County Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

Section 9.12. Headings. Any headings preceding the texts of the several Articles hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this County Indenture, nor shall they affect its meaning, construction or effect.

Section 9.13. Governing Law. All provisions of this County Indenture are to be governed by the laws of the State.

IN WITNESS WHEREOF, the parties have executed this County Indenture effective the date first above written.

COUNTY OF LOS ANGELES

By: _____
Chair of the Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer
of the Board of Supervisors

By: _____
Deputy

TREASURER AND TAX COLLECTOR OF THE COUNTY OF LOS ANGELES

By: _____
Mark J. Saladino

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
COUNTY COUNSEL

By: _____
Principal Deputy County Counsel

AUDITOR-CONTROLLER OF THE COUNTY OF LOS ANGELES

By: _____
Wendy L. Watanabe

**EXHIBIT A**

**FORM OF BOND**

*[Transfer of this Bond is subject to the restrictions set forth in the herein referenced Indenture.]*

*[If this Bond is issued in book-entry form only: then unless this Bond is presented by an authorized representative of DTC (as defined in the indenture) to the trustee for registration of transfer, exchange or payment, and any Bond executed and delivered is registered in the name of Cede & Co. Or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. Or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co. has an interest herein.]*

United States of America
State of California
County of Los Angeles

NUMBER [1] $_____

COUNTY OF LOS ANGELES
LOS ANGELES COUNTY ENERGY PROGRAM
CONTRACTUAL ASSESSMENT LIMITED OBLIGATION IMPROVEMENT
[REFUNDING] BOND
SERIES ____ (TAXABLE)

| MATURITY DATE | DATED DATE | INTEREST RATE | [CUSIP NUMBER] |
|---|---|---|---|

REGISTERED OWNER:

PRINCIPAL AMOUNT:

Under and by virtue of Chapter 29 of Part 3 of Division 7 of the Streets and Highways Code of the State of California (the "Contractual Assessment Law") and the Improvement Bond Act of 1915, Division 10 (commencing with Section 8500) of the Streets and Highways Code (the "1915 Act"), the County of Los Angeles, State of California (the "County") hereby promises to pay (but only out of the Revenues as such term is defined in the Indenture, dated as of _____, 20__ (the "Indenture") by and among the County, the Treasurer and Tax Collector of the County, as paying agent (the "Paying Agent") to the registered owner hereof or registered assigns (the "Owner"), and the Auditor-Controller of the County, as fiscal agent (the "Fiscal Agent") to the Owner, on the Maturity Date identified above, subject to any right of prior redemption hereinafter mentioned, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon at a rate of interest determined pursuant to

Resolution No. ___ of the Board of Supervisors (the "Resolution of Issuance"), adopted on [May 25, 2010], in like money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication and registration of this Bond, unless this Bond is authenticated and registered (i) on an Interest Payment Date, in which event interest shall be payable from such date of authentication and registration, (ii) prior to an Interest Payment Date and after the close of business on the 15th day of the month immediately preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) prior to the close of business on February 15, _____, in which event it shall bear interest from the Bond Date stated above, until payment of such principal sum shall have been discharged; provided, however, that if at the time of authentication of such Bond, interest is in default, interest on that Bond shall be payable from the last Interest Payment Date to which the interest has been paid or made available for payment.

The principal of this Bond shall be payable on the Maturity Date. Interest on this Bond shall be payable semiannually on March 2 and September 2 (each an "Interest Payment Date") in each year commencing on _____. Principal of and interest on this Bond shall be paid by check of the Paying Agent mailed on or before the Interest Payment Date by first class mail, postage prepaid, or upon satisfaction of certain conditions specified in the Indenture, by wire transfer or any other method acceptable to the Owner, to the person whose name appears in the Registrations Books as the Owner of such Bond as of the 15$^{th}$ day of the calendar month immediately preceding each Interest Payment Date, to the address of that person on the Registration Books, provided that the payment of principal of the Bond on the Maturity Date and the payment of the principal of the Bond and any premium due upon the redemption thereof shall be payable upon presentation and surrender thereof at maturity or earlier redemption at the office of the Paying Agent in Los Angeles, California.

This Bond shall bear interest until the principal amount has been paid; provided, however, that if at the Maturity Date, or if at the redemption date of any principal amount of this Bond which has been duly called for redemption as provided in the Indenture, funds are available for the payment or redemption thereof in full accordance with the terms of the Indenture, such principal amount shall then cease to bear interest.

This Bond is subject to redemption as set forth in the Indenture.

This Bond is issued by the County under the Contractual Assessment Law, the 1915 Act and the Indenture for the purpose of funding disbursements under certain assessment contracts in connection with the Los Angeles County Energy Program established by the Board of Supervisors of the County pursuant to the Contractual Assessment Law. The obligation of the County to make payments of principal and interest on this Bond is a limited obligation secured only as set forth in the Indenture.

This Bond is secured by the Revenues, including the moneys in the Series _____ Account of the Debt Service Fund, and is payable exclusively out of such account. This Bond and interest thereon are not secured by any other funds of the County. Neither the credit nor the taxing power of the County is pledged for the payment of this Bond or the interest thereon, and no Owner of this Bond may compel the exercise of any taxing power by the County or force the forfeiture of any of its properties. The principal of, and premium (if any) and interest

on this Bond are not a debt of the County nor a legal or equitable pledge, charge, lien or encumbrance upon any of the properties of the County, or upon any of their income, receipts or revenues, other than the Revenues and the funds described in the Indenture.

This Bond is transferable by the Owner hereof, in person or by the Owner's attorney duly authorized in writing, at the office of the Paying Agent, subject to the terms and conditions provided in the Indenture, including the payment of certain charges, if any, upon exchange, transfer, surrender or cancellation of this Bond. Upon transfer, a new registered Bond or Bonds, of [any authorized denomination or denominations], of the same maturity, and for the same aggregate principal amount, will be issued to the transferee in exchange therefor.

The Paying Agent shall not be required to exchange or register the transfer of Bonds during the 15 days immediately preceding any Interest Payment Date or of any Bonds selected for redemption in advance of maturity.

The Paying Agent and the County may treat the Owner hereof as the absolute owner for all purposes, and the Paying Agent and the County shall not be affected by any notice to the contrary.

This Bond or any portion of it in the amount of $5,000 or any integral multiple thereof, or in such other denomination or denominations as determined by the Treasurer in accordance with the Indenture, is subject to redemption and payment prior to maturity as set forth in the Indenture.

This Bond shall not be entitled to any benefit under the 1915 Act or the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Paying Agent.

[The remainder of this page is intentionally left blank.]

THE COUNTY HAS CERTIFIED, RECITED AND DECLARED that all things, conditions and acts required by the Constitution and laws of the State of California and the Indenture to exist, to have happened and to have been performed precedent to and in the execution, authentication and the delivery of this Bond, do exist, have happened and have been performed in due time, form and manner, as required by law and the Indenture.

IN WITNESS WHEREOF, the County has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signatures of its Treasurer and Executive Officer of the Clerk of the Board of Supervisors, all as of the dated date identified above.

_____
Executive Officer Clerk of the Board of
Supervisors of the County of Los Angeles

_____
Treasurer and Tax Collector of the
County of Los Angeles

PAYING AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture which has been authenticated and registered on the __ day of _____, 20__.

TREASURER AND TAX COLLECTOR OF THE
COUNTY, as Paying Agent

By: _____

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto _____, whose tax identification number is _____, the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer the same on the books of the Fiscal Agent with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

_____

NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

_____

NOTICE. Signature must be guaranteed by a member of an institution which is a participant in the Securities Transfer Agent Medallion Program i STAMP or other similar program.

**EXHIBIT B**

**(LETTERHEAD OF THE APPLICABLE DEPARTMENT OF THE COUNTY OF LOS ANGELES)**

**PAYMENT REQUEST FORM**

Auditor-Controller, as Fiscal Agent
500 West Temple Street, Room 603
Los Angeles, CA 90012

SUBJECT: REQUEST FOR PAYMENT OF COSTS OF ISSUANCE
COUNTY OF LOS ANGELES
LOS ANGELES COUNTY ENERGY PROGRAM
CONTRACTUAL ASSESSMENT LIMITED OBLIGATION IMPROVEMENT BONDS,
SERIES __

The Fiscal Agent is hereby requested to pay from the Costs of Issuance Fund established pursuant to the Indenture, dated as of _____ 1, 2010, executed by and among the County of Los Angeles, the Treasurer and Tax Collector of the County of Los Angeles, as Paying Agent, and the Auditor-Controller of the County of Los Angeles, as Fiscal Agent, to the person, corporation or other entity designated below as Payee, the sum set forth below such designation, in payment of the Costs of Issuance described below. The amount shown below is due and payable under a purchase order, contract or other authorization with respect to the Costs of Issuance described below and has not formed the basis of any prior request for payment.

Payee:

Address:

Amount: $ _____

Description:

Description of Costs of Issuance or portion thereof accepted by the County of Los Angeles and authorized to be paid to the Payee.

Executed by the Authorized
Representative of the County
of Los Angeles

Signature:_____

Name: _____

Dated: _____ Title: _____

Payment Request No. _____

Attachment: (Attach duplicate original of Payee's statement(s) or invoice(s)

**EXHIBIT C**

**SCHEDULE OF ASSESSMENT CONTRACTS**

---

LOAN AGREEMENT

Dated as of _____ 1, 2010

by and between the

COUNTY OF LOS ANGELES, CALIFORNIA,

and the

LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY

Relating to

Los Angeles County Public Works Financing Authority
Los Angeles County Energy Program
Contractual Assessment Revenue Bonds, Series A

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EXHIBIT A - LOAN REPAYMENT SCHEDULE
EXHIBIT B - ASSESSMENT CONTRACT SCHEDULE

**LOAN AGREEMENT**

THIS LOAN AGREEMENT (this "Loan Agreement") is made and entered into as of _____ 1, 2010, by and between the COUNTY OF LOS ANGELES, a political subdivision of the State of California (the "County"), and the LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the "Authority");

***W I T N E S S E T H:***

WHEREAS, Chapter 29 of Part 3 of Division 7 of the Streets and Highways Code of the State of California (the "Contractual Assessment Law") authorizes counties to assist free and willing property owners in financing the installation of distributed generation renewable energy sources and energy and water efficiency improvements (the "Improvements") that are permanently fixed to residential, commercial, industrial or other real property through a contractual assessment program; and

WHEREAS, the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles, a political subdivision of the State of California (the "County"), previously approved a resolution (the "Resolution of Intention") declaring its intention to order the implementation of a contractual assessment program to finance Improvements pursuant to the Contractual Assessment Law; and

WHEREAS, following notice duly given and a hearing in accordance with applicable law, the Board of Supervisors approved a resolution (the "Resolution Establishing the LACEP") which, among other things, authorized the establishment of the Los Angeles County Energy Program (the "LACEP") to finance the acquisition, construction and installation of the Improvements on properties in the County through the use of contractual assessments pursuant to the Contractual Assessment Law; and

WHEREAS, pursuant to LACEP, the County will enter into contractual assessment agreements (each, an "Assessment Contract") with free and willing property owners (the "Property Owners") pursuant to which the County will assist in financing the acquisition, construction and installation of Improvements on or in such owners' respective properties and levy contractual assessments (each, an "Assessment") on the applicable properties in the amounts set forth in the Assessment Contracts; and

WHEREAS, the Board of Directors (the "Board of Directors") of the Los Angeles County Public Works Financing Authority (the "Authority") previously approved a resolution (the "Authority Resolution") authorizing the issuance of its Los Angeles County Energy Program Contractual Assessment Revenue Bonds (the "Bonds") from time to time in one or more series under and pursuant to Articles 1 through 4 (commencing with Section 6500) of the Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (as amended, the "JPA Act") for the purpose of funding loans (the "Loans") to the County, which will disburse such loan amounts and any other moneys available therefor to free and willing property owners to finance the Improvements pursuant to LACEP; and

WHEREAS, the Authority will issue its $_____ aggregate principal amount of Los Angeles County Energy Program Contractual Assessment Revenue Bonds, Series A (the "Series A Bonds") pursuant to the terms of that certain Indenture, dated as of _____ 1, 2010 (the "Indenture"), by and among the County, the Authority, the Auditor-Controller of the County, as fiscal agent thereunder, and the Treasurer and Tax Collector of the County, as paying agent thereunder; and

WHEREAS, this Loan Agreement represents one such loan by the Authority to the County with respect to such the Series A Bonds; and

WHEREAS, the County and the Authority have determined that all acts and proceedings required by law necessary to make this Loan Agreement, when executed by the County and the Authority, the valid, binding and legal obligation of the County and to constitute this Loan Agreement a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Loan Agreement have been in all respects duly authorized;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto do hereby agree as follows:

## ARTICLE I

## DEFINITIONS

Section 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Loan Agreement shall have the respective meanings which such terms have in the Indenture. In addition, the following terms defined in this Section 1.1 shall, for all purposes of this Loan Agreement, have the respective meanings herein specified.

"Assessment Contracts" means the agreements by and between the County and the free and willing property owners identified on the "Assessment Contract Schedule" attached as Exhibit B to this Loan Agreement.

"Assessment Installments" means the installments of principal, interest and premium, if any, to be paid on the unpaid Assessments by the owners of the real properties described in Exhibit B attached hereto.

"Assessment Revenues" means the revenues received by the County in each Fiscal Year from the collection of the annual Assessment Installments, including any interest and penalties thereon and the proceeds of the exercise of any of the remedies for delinquent payments available under the related Assessment Contracts or under the Contractual Assessment Law.

"Assessments" means the unpaid assessments levied by the County pursuant to the Contractual Assessment Law and the related Assessment Contracts, constituting a first lien and charge upon the real properties described in Exhibit B attached hereto.

"Event of Default" means any of the events described in Section 5.1 of this Loan Agreement.

"Loan" means the loan made by the Authority to the County pursuant to Section 2.1 of this Loan Agreement.

"Loan Agreement" means this Loan Agreement by and between the County and the Authority, as amended or supplemented pursuant to the provisions hereof.

"Loan Maturity Date" shall be the same date as the Maturity Date with respect to the Bond.

"Series A Repayment Account" means the account by that name established and held hereunder by the County within the Energy Fund pursuant to Section 3.2 of this Loan Agreement.

"Written Request of the County" means a request in writing signed by an Authorized Representative of the County.

Section 1.2. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Loan Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or subdivision hereof.

## ARTICLE II

## THE LOAN; ESTABLISHMENT OF FUNDS

Section 2.1. Authorization. The Authority hereby agrees to lend to the County, from the proceeds of the sale of the Series A Bonds deposited in the Loan Fund established under the Indenture, the aggregate principal amount of _____ dollars ($_____) under and subject to the terms of this Loan Agreement, the Contractual Assessment Law, and the JPA Act. This Loan Agreement constitutes a continuing agreement with the Authority to secure the full and final payment of the Loan, subject to the covenants, agreements, provisions and conditions herein contained.

Section 2.2. Terms of Loan. The principal of the Loan shall be payable no later than the second (2nd) Business Day prior to the Loan Maturity Date. Interest on the Loan shall be calculated on the basis of a 360-day year of twelve 30-day months. The first semi-annual installment of interest shall accrue from and including the Closing Date to but not including the next succeeding Interest Payment Date. Each succeeding semi-annual installment of interest shall accrue from and including the Interest Payment Date occurring at the beginning of such semi-annual period to but not including the next succeeding Interest Payment Date. Principal of and interest on the Loan shall be payable in each of the years and in the amounts set forth on Exhibit A hereto.

Principal of and interest on the Loan shall be payable by the County to the Authority from moneys deposited in the Series A Repayment Account pursuant to Section 3.2 hereof, in immediately available funds which constitute lawful money of the United States of America. Payment of such principal and interest shall be secured, and amounts for the payment thereof shall be deposited by the Authority with the Fiscal Agent at the times, as set forth in Article III hereof.

Section 2.3. Prepayment.

(a) Mandatory Prepayment. (i) The principal of the Loan shall be prepaid prior to maturity in whole or in part [on the Business Day preceding] any Interest Payment Date, from prepaid assessments on deposit and available for such purpose in the Series A Repayment Account of the Energy Fund, at a prepayment price equal to 10_% of the principal amount of the Loan to be prepaid and accrued interest to the date fixed for redemption of the related Bonds.

(ii) The Loan shall be prepaid prior to maturity in whole on any date from proceeds of Refunding Bonds and other monies available therefor on deposit in the escrow fund for the Series A Bonds at a prepayment price equal to 10_% of the principal amount of the Loan to be prepaid and accrued interest thereon to the date fixed for redemption of the Series A Bonds. Upon deposit of the moneys in the escrow fund for prepayment in full of the Loan hereunder and satisfaction of Section 9.1 of the Indenture, the Loan will be deemed paid within the meaning and with the effect expressed this Loan Agreement.

(b) Optional Prepayment.

(i) The principal of the Loan may be prepaid prior to maturity in whole or in part [on the Business Day preceding] any Interest Payment Date, from any available source of funds in the Series A Repayment Account of the Energy Fund, other than prepaid assessments referenced in the foregoing paragraph (a), at a prepayment price equal to the principal amount of the Loan to be prepaid, a prepayment premium equal to 10_% of the principal amount of the Loan to be prepaid, and accrued interest to the date fixed for redemption of the related Bonds.

(c) The County shall give __ days' prior written notice to the Paying Agent of its election to prepay all or a portion of the Loan under this Section 2.3, and shall transfer to the Fiscal Agent all amounts required for such prepayment.

Section 2.4. Application of Loan Proceeds. In furtherance of Section 4.3 of the Indenture, the County shall provide to the Fiscal Agent one or more Written Requests of the County requesting disbursement of the proceeds of the Loan to the property owners listed on Exhibit B hereof from amounts on deposit in the Loan Fund (or an account therein, if any) established under the Indenture, on the Closing Date or such other date or dates specified in such Written Request(s) of the County. After all amounts required to be disbursed under and pursuant to the Assessment Contract listed on Exhibit B hereof have been disbursed, moneys on deposit in the Loan Fund (or the applicable account therein, if any) in an amount equal to the difference between (i) the total set forth in the column titled "Approved Disbursement Amount" on

Exhibit B, and (ii) all amounts disbursed to the property owners listed on Exhibit B, shall be used by the County to prepay the Loan pursuant to Section 2.3(b) of this Loan Agreement.

ARTICLE III

PLEDGE OF ASSESSMENT REVENUES; APPLICATION OF FUNDS

Section 3.1. Pledge of Assessment Revenues. The Loan shall be secured by a pledge of, security interest in and lien on all of the related Assessment Revenues and the amounts in the Series A Repayment Account created hereunder. The Assessment Revenues are hereby allocated in their entirety to the payment of certain costs and expenses [,up to a maximum of $_____,] incurred by the County in connection with the administration of LACEP and payment of the principal of and interest on the Loan.

Section 3.2. Series A Repayment Account; Deposit of Assessment Revenues. There is hereby established a special trust account within the Energy Fund to be known as the "Series A Repayment Account" held by the Treasurer. The County shall deposit all Assessment Revenues in the Series A Repayment Account promptly upon receipt thereof. Any amounts remaining in the Series A Repayment Account after payment in full of the Loan and the interest thereon shall be used by the County for the benefit of LACEP.

Section 3.3. Transfers of Assessment Revenues to Authority. (a) No later than the Business Day preceding each Interest Payment Date commencing _____, the County shall withdraw from the Series A Repayment Account and (i) transfer to the Program Expense Fund an amount equal to [formula to come], up to a maximum of one-half of the amount set forth in Section 3.1 hereof, and (ii) transfer to the Authority (or to the Fiscal Agent on behalf of the Authority), for deposit in the Debt Service Fund amounts sufficient to pay the interest then due on the Loan pursuant to Section 2.2 of this Loan Agreement.

(b) No later than the Business Day preceding each Principal Payment Date, the County shall withdraw from the Series A Repayment Account and transfer to the Authority (or to the Fiscal Agent on behalf of the Authority), for deposit in the Debt Service Fund, an amount sufficient to pay in full the portion of the principal of the Loan then due.

(c) No later than the Business Day preceding each Interest Payment Date commencing _____, the County shall withdraw from the Series A Repayment Account and transfer to the Authority (or to the Fiscal Agent on behalf of the Authority), for deposit in the Reserve Fund an amount that will, together with the amounts on deposit in the Reserve Fund, equal the Reserve Requirement.

(d) On each September 2, all moneys in the Series A Repayment Account in excess of the foregoing amount shall, to the extent permitted by law, be applied as follows:

(i) first, the moneys shall be transferred to the Program Expense Fund (in which case such moneys shall be released from the pledge and lien hereunder), unless the Treasurer determines in his sole discretion that amounts then on deposit in the Program Expense Fund are sufficient to pay anticipated costs and expenses to be incurred

by the County in connection with administration of LACEP for the next 12 months and anticipated costs and expenses to be incurred by the County, the Authority, the Paying Agent and the Fiscal Agent in connection with the Bonds for the next twelve (12) months, in which event the Treasurer may, but is not required to, apply such excess monies in accordance with paragraph (ii) below; and

(ii) second, the moneys shall be retained in the Series A Repayment Account, or, at the option of the County, the moneys shall be applied to prepay the Loan pursuant to Section 2.3(b).

Section 3.4. Program Expense Fund. There has been heretofore established a fund within the Energy Fund called the Program Expense Fund and held by the County. There will be deposited in the Program Expense Fund (i) the amounts received by the Treasurer with respect to each parcel in each Fiscal Year in satisfaction of the Annual Administrative Assessment pursuant to the Assessment Contracts and (ii) the amounts, exclusive of Revenues, deducted from Assessments and set-aside to pay the costs and expenses[, up to a maximum of $_____ in each Fiscal Year], incurred by the County in connection with the capitalized costs of establishing and administering LACEP. Amounts on deposit in the Program Expense Fund shall be used by the County to pay for ordinary and necessary costs of administering the levy and collection of the Assessments and all other administrative costs and incidental expenses related to the Series A Bonds, as well as the capitalized costs of establishing and administering LACEP. On each June 30, amounts in excess of the Annual Administrative Assessments expected to be incurred through the next succeeding September 2 may be applied as a credit upon the assessment levied for the upcoming fiscal year for Annual Administrative Assessments. Any surplus remaining in the Program Expense Fund after payment or provision for payment of all Administrative Expenses and other costs in connection with establishing and administering LACEP incurred or expected to be incurred through and including activities relating to the payment in full of the Bonds may be transferred to the County for the benefit of LACEP.

Section 3.5. Investment of Moneys; Valuation of Investments. All moneys in the Series A Repayment Account shall be invested by the County solely in Authorized Investments, maturing not later than the respective dates on which such moneys are estimated by the County to be required to be deposited with the Authority pursuant to Section 3.3 hereof. All interest, profits and other income received from the investment of moneys in any fund or account held under this Loan Agreement shall be deposited in such fund or account. Notwithstanding anything to the contrary contained in this paragraph, an amount of interest received with respect to any investment equal to the amount of accrued interest, if any, paid as part of the purchase price of such investment shall be credited to the fund from which such accrued interest was paid. Authorized Investments acquired as an investment of moneys in any fund or account held under this Loan Agreement shall be credited to such fund.

For the purpose of determining the amount in any fund or account hereunder, the value of Authorized Investments credited to such fund shall be calculated at the lesser or (a) the original cost thereof (excluding brokerage commissions and accrued interest, if any), or (b) the principal amount thereof.

ARTICLE IV

OTHER COVENANTS OF THE COUNTY

Section 4.1. Punctual Payment. The County will punctually pay or cause to be paid the principal of and interest on the Loan together with any prepayment premiums thereon in strict conformity with the terms of this Loan Agreement, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Loan Agreement.

Section 4.2. Limited Obligation. The Loan is a limited obligation of the County and is payable solely from and secured solely by related Assessment Revenues and the amounts in the Series A Repayment Account created hereunder.

Section 4.3. General. The County shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the County under the provisions of this Loan Agreement. The County warrants that upon the date of execution and delivery of this Loan Agreement, the conditions, acts and things required by law and this Loan Agreement to exist, to have happened and to have been performed precedent to and in the execution and delivery of such Loan Agreement do exist, have happened and have been performed and the execution and delivery of the Loan Agreement shall comply in all respects with the applicable laws of the State.

Section 4.4. Protection of Security and Rights of Authority. The County will preserve and protect the security of the Loan and the rights of the Authority thereto, and will warrant and defend their rights to such security against all claims and demands of all persons. From and after the delivery of the Loan Agreement by the County, the Loan shall be incontestable by the County.

Section 4.5. Against Encumbrances. The County will not encumber, pledge or place any charge or lien upon any of the related Assessment Revenues or other amounts pledged to the related Loan superior to or on a parity with the pledge and lien herein created for the benefit of the Loan, except as permitted by this Loan Agreement.

Section 4.6. Collection of Assessment. The County shall comply with all requirements of the Contractual Assessment Law and applicable State law so as to assure the timely collection of the unpaid Assessment.

Section 4.7. Accounting Records and Statements. The County will keep or cause to be kept proper accounting records in which complete and correct entries shall be made of all transactions relating to the receipt, deposit and disbursement of the Assessment Revenues, and such accounting records shall be available for inspection upon five (5) Business Days' written notice by the Authority or the Fiscal Agent or their respective agent duly authorized in writing at reasonable hours and under reasonable conditions.

Section 4.8. Further Assurances. The County will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of its duties under

this Loan Agreement, and for the better assuring and confirming unto the Authority the rights and benefits provided in this Loan Agreement.

Section 4.9. Payment of Expenses; Indemnification. At the request or direction of the Authority, the County shall pay from the Program Expense Fund (but only to the extent moneys are on deposit therein) the costs and expenses incurred by the Authority in connection with the issuance of the Bond, including all compensation to the Fiscal Agent from time to time for all services rendered this Loan Agreement and the Indenture, including but not limited to all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties hereunder and thereunder. Upon the occurrence of an Event of Default, the Fiscal Agent (if other than the Auditor) shall have a first lien on the Assessment Revenues and the Series A Repayment Account to secure the payment to the Fiscal Agent of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel incurred in declaring such Event of Default and in exercising the rights and remedies set forth in Article V hereof.

The County further covenants and agrees to indemnify and save the Fiscal Agent (if other than the Auditor) and its officers, directors, agents and employees, harmless against any losses, expenses and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Fiscal Agent, its officers, directors, agents or employees. The obligations of the County under this paragraph shall survive the resignation or removal of the Fiscal Agent under the Indenture, this Loan Agreement and payment of the Loan and the discharge of this Loan Agreement.

## ARTICLE V

## EVENTS OF DEFAULT AND REMEDIES

Section 5.1. Events of Default. The following events shall constitute Events of Default hereunder:

(a) Default in the due and punctual payment of the principal of or prepayment premium, if any, on the Loan when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) Default in the due and punctual payment of the interest on the Loan when and as the same shall become due and payable; or

(c) Default by the County in the observance of any of the agreements, conditions or covenants on its part in this Loan Agreement (other than a payment default referred to in subparagraphs (a) and (b) above), and the continuation of such default for a period of 60 days after the County shall have been given notice in writing of such default by the Authority or the Fiscal Agent; provided that if within 60 days the County has commenced curing of the default and diligently pursues elimination thereof, such period shall be extended to permit such default to be eliminated.

Section 5.2. Remedies Not Exclusive; Non-Waiver. No remedy conferred hereby upon the Authority is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by the JPA Act, Chapter 29, or any other law of the State. No waiver of any default or breach of duty or contract by the Authority shall affect any subsequent default or breach of duty or contract or shall impair any rights or remedies on said subsequent default or breach. No delay or omission of the Authority to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed as a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Authority may be enforced and exercised as often as may be deemed expedient. In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and the Authority shall prevail, the Authority shall be entitled to receive reimbursement for reasonable costs, expenses, outlays and attorney's fees and should said suit, action or proceeding be abandoned, or be determined adversely to the Authority then, and in every such case, the Authority and the Authority shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 5.3. Limited Liability of the County to the Authority. Except for the collection of the Assessment Revenues and the observance and performance of the other conditions, covenants and terms contained herein or in the Contractual Assessment Law required to be observed or performed by it, the County shall not have any obligation or liability to the Authority with respect to this Loan Agreement. Pursuant to the Resolution of Intention relating to these proceedings, the County has determined that no funds of the County will be available to pay principal of, premium, if any, or interest on the Bonds. The County has determined that pursuant to the Contractual Assessment Law, the County will not obligate itself to advance available funds from the County's treasury to cure any deficiency which may occur in the Debt Service Fund under the Indenture.

Section 5.4. Action by Authority Upon Default. In the event the County fails to take any action to eliminate an Event of Default under Section 5.1 hereof, the Authority may institute any suit, action, mandamus or other proceeding in equity or at law for the protection or enforcement of any right under this Loan Agreement, but only if the Authority has first made written request of the County, after the right to exercise such powers or right of action shall have occurred, and shall have afforded the County a reasonable opportunity either to proceed to exercise the powers granted herein or granted under law or to institute such action, suit or proceeding in its name and unless also, the County shall have been offered reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the County shall have refused or neglected to comply with such request within a reasonable time. Any moneys recovered in such suit, action, mandamus or other proceedings shall be applied first to the payment of the reasonable costs and expenses of the Authority in bringing such suit, action, mandamus or other proceeding, including reasonable compensation to its agents and attorney.

ARTICLE VI

MISCELLANEOUS

Section 6.1. Discharge of Loan Agreement. If the County shall pay and discharge the entire indebtedness on the Loan in any one or more of the following ways and shall concurrently therewith discharge the indebtedness of the Series A Bonds in full:

(a) by well and truly paying or causing to be paid the principal of and interest and prepayment premiums (if any) on the Loan, as and when the same become due and payable;

(b) by irrevocably depositing with the Fiscal Agent, in trust, at or before maturity, cash in an amount which, together with the available amounts then on deposit in any of the funds and accounts maintained pursuant to the Indenture in connection with the Series A Bonds or this Loan Agreement, is fully sufficient to pay all principal of and interest and prepayment premiums (if any) on the Loan; or

(c) by irrevocably depositing with the Fiscal Agent or any other fiduciary, in trust, Federal Securities pursuant to Section 9.1(c) of the Indenture in such amount as an Independent Public Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to the Indenture or pursuant to this Loan Agreement, be fully sufficient to pay and discharge the indebtedness on the Loan (including all principal, interest and prepayment premiums) at or before maturity;

then, at the election of the County but only if all other amounts then due and payable hereunder shall have been paid or provision for their payment made, the pledge of and lien upon the Assessment Revenues and other funds provided for in this Loan Agreement and all other obligations of the Authority and the County under this Loan Agreement with respect to the Loan shall cease and terminate, except only the obligation of the County to pay or cause to be paid to the Authority, from the amounts so deposited with the Authority, the Paying Agent, the Fiscal Agent, or such other fiduciary, all sums due with respect to the Loan and all expenses and costs of the Authority, the Paying Agent and the Fiscal Agent. Notice of such election shall be filed with the Authority, the Paying Agent, and the Fiscal Agent.

Any funds thereafter held by the County hereunder, which are not required for purposes of this Section 6.1, shall be transferred to the County for the benefit of LACEP.

Section 6.2. Amendment. This Loan Agreement may be amended by the parties hereto but only to the extent such amendment shall not be inconsistent with the terms and provisions hereof and only for the following purposes:

(a) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provision with respect to matters or questions arising under this Loan Agreement or in any supplemental indenture, provided that such action shall not adversely affect the interests of the Authority;

(b) to add to the covenants and agreements of and the limitations and the restrictions upon the County contained in this Loan Agreement other covenants, agreements, limitations and restrictions to be observed by the County which are not contrary to or inconsistent with this Loan Agreement as theretofore in effect; and

(c) to modify, alter, amend or supplement this Loan Agreement in any other respect which is not materially adverse to the interests of the Authority.

The Authority covenants that the Indenture shall not be amended without the prior written consent of the County.

Section 6.3. Notice. Any notice, demand, direction, request or other instrument authorized or required by this Loan Agreement to be given to or filed with the Authority, the County, the Paying Agent or the Fiscal Agent shall be deemed to have been sufficiently given or filed for all purposes of this Loan Agreement if and when delivered to or sent in accordance with Section 9.8 of the Indenture.

Section 6.4. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Loan or the date fixed for prepayment of the Loan or any portion thereof or the date any action is to be taken pursuant to this Loan Agreement is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period after such date.

Section 6.5. Benefits Limited to Parties. Nothing in this Loan Agreement, expressed or implied, is intended to give to any person other than the County and the Authority, any right, remedy or claim under or by reason of this Loan Agreement. All covenants, stipulations, promises or agreements in this Loan Agreement contained by and on behalf of the County shall be for the sole and exclusive benefit of the Authority, of any Fiscal Agent (if not the Auditor) and of any Paying Agent (if not the Treasurer) acting under the Indenture for the benefit of the Owners of the Bond.

Section 6.6. No Personal Liability. The County and the officer, agent or employee thereof shall not be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such entity, officer, agent or employee from the performance of any official duty provided by law.

Section 6.7. Severability. If any covenant, agreement or provision, or any portion thereof, contained in this Loan Agreement, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Loan Agreement and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Loan Agreement and the related Loan shall remain valid and the parties hereto shall retain all valid rights and benefits accorded to them under this Loan Agreement and the Constitution and laws of the State.

Section 6.8. Headings. Any headings preceding the texts of the several Articles hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Loan Agreement, nor shall they affect its meaning, construction or effect.

Section 6.9. Governing Law. All provisions of this Loan Agreement are to be governed by the laws of the State.

Section 6.10. Counterparts. This Loan Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the COUNTY OF LOS ANGELES and the LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, have caused this Loan Agreement to be signed by their respective officers, all as of the day and year first above written.

COUNTY OF LOS ANGELES

By: _____
Chair of the Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY

By: _____
Chair of the Board of Directors

ATTEST:

Secretary

By: _____
Deputy

**EXHIBIT A**

**LOAN REPAYMENT SCHEDULE**

| Date | Principal Amount | Interest | Total |
|---|---|---|---|

**EXHIBIT B**

**ASSESSMENT CONTRACT SCHEDULE**

| Property Owner(s) | Date of Assessment Contract | Approved Disbursement Amount |
|---|---|---|

| City | COG Affiliation | Date of CC Meeting | Date of Adoption | Resolution Submitted to LA County? | Notes | Supervisorial District |
|---|---|---|---|---|---|---|
| Alhambra | San Gabriel Valley | 7/13/10 | 7/13/10 | Yes | | 5 |
| Arcadia | San Gabriel Valley | 7/20/10 | 7/20/10 | Yes | | 5 |
| Artesia | Gateway Cities | 6/14/10 | 6/14/10 | Yes | | 4 |
| Avalon | Gateway Cities | August | August | Yes | | 4 |
| Baldwin Park | San Gabriel Valley | 6/16/10 | 6/16/10 | Yes | | 1 |
| Bell Gardens | Gateway Cities | 6/14/10 | 6/14/10 | Yes | | 1 |
| Bellflower | Gateway Cities | 6/28/10 | 6/28/10 | Yes | | 4 |
| Beverly Hills | Westside Cities | 6/3/10 | 6/3/10 | Yes | | 3 |
| Bradbury | San Gabriel Valley | 6/15/10 | 6/15/10 | Yes | | 5 |
| Burbank | San Fernando Valley | 7/6/10 | 7/6/10 | Yes | | 5 |
| Calabasas | Las Virgenes-Malibu | 10/13/10 | 10/13/10 | Yes | | 3 |
| Carson | South Bay | 6/15/10 | 6/15/10 | Yes | Candice Bohanen is th | 2 |
| Cerritos | Gateway Cities | 6/24/10 | 6/24/10 | Yes | | 4 |
| Claremont | San Gabriel Valley | 6/22/10 | 6/22/10 | Yes | | 5 |
| Commerce | Gateway Cities | 7/6/10 | 7/6/10 | Yes | | 1 |
| Covina | San Gabriel Valley | 6/15/10 | 6/15/10 | Yes | | 5 |
| Cudahy | Gateway Cities | 7/6/10 | 7/6/10 | Yes | | 1 |
| Culver City | Westside Cities | 6/28/10 | 6/28/10 | Yes | | 2 |
| Diamond Bar | San Gabriel Valley | 6/15/10 | 6/15/10 | Yes | | 4 |
| Downey | Gateway Cities | 6/8/10 | 6/15/10 | Yes | | 4 |
| Duarte | San Gabriel Valley | 6/8/10 | 6/8/10 | Yes | | 5 |
| El Monte | San Gabriel Valley | 7/6/10 | 7/6/10 | Yes | | 1 |
| El Segundo | South Bay | 7/20/10 | 7/6/10 | Yes | | 4 |
| Glendale | San Fernando Valley | 7/6/10 | 7/6/10 | Yes | | 5 |
| Glendora | San Gabriel Valley | 7/3/10 | 7/3/10 | Yes | | 5 |
| Hawaiian Gardens | Gateway Cities | 7/27/10 | 7/27/10 | Yes | | 4 |
| Hawthorne | South Bay | 6/22/10 | 6/22/10 | Yes | | 2 |
| Hermosa Beach | South Bay | 6/8/10 | 6/8/10 | Yes | | 4 |
| Hidden Hills | Las Virgenes-Malibu | 6/14/10 | 6/14/10 | Yes | | 3 |
| Huntington Park | Gateway Cities | 6/7/10 | 6/7/10 | Yes | | 1 |
| Industry | San Gabriel Valley | ? | 6/2011? | Yes | | 1 |
| Inglewood | South Bay | 7/27/10 | 7/27/10 | Yes | | 2 |
| Irwindale | San Gabriel Valley | | | Yes | | 1 |
| La Cañada Flintridge | San Gabriel Valley | 6/21/10 | 6/21/10 | Yes | | 5 |
| La Habra Heights | Gateway Cities | 7/8/10 | 7/8/10 | Yes | | 4 |
| La Mirada | Gateway Cities | 6/22/10 | 6/22/10 | Yes | | 4 |
| La Puente | San Gabriel Valley | 12/14/2010 | 12/14/2010 | Yes | | 1 |
| La Verne | San Gabriel Valley | 6/7/10 | 6/7/10 | Yes | | 5 |

| City | COG Affiliation | Date of CC Meeting | Date of Adoption | Resolution Submitted to LA County? | Notes | Supervisorial District |
|---|---|---|---|---|---|---|
| Lancaster | North County | 6/8/10 | 6/8/10 | Yes | | 5 |
| Lawndale | South Bay | 10/18/10 | 10/18/10 | Yes | | 2 |
| Lomita | South Bay | 6/21/10 | 6/21/10 | Yes | | 4 |
| Long Beach | Gateway Cities | 6/22/10 | 6/22/10 | Yes | | 4 |
| Los Angeles | San Fernando Valley | 3/29/11 | | Yes | | 1-5 |
| Lynwood | Gateway Cities | 7/6/10 | 7/6/10 | Yes | | 2 |
| Malibu | Las Virgenes-Malibu | 6/28/10 | 6/28/10 | Yes | | 3 |
| Manhattan Beach | South Bay | 6/15/10 | 6/15/10 | Yes | | 4 |
| Monrovia | San Gabriel Valley | 7/6/10 | 7/6/10 | Yes | | 5 |
| Norwalk | Gateway Cities | 7/20/10 | 7/20/10 | Yes | | 4 |
| Palmdale | North County | 6/2/10 | 6/2/10 | Yes | | 5 |
| Palos Verdes Estates | South Bay | 6/22/10 | 6/22/10 | Yes | | 4 |
| Paramount | Gateway Cities | 7/6/10 | 7/6/10 | Yes | | 4 |
| Pico Rivera | Gateway Cities | 7/13/10 | 7/13/10 | Yes | | 1 |
| Rancho Palos Verdes | South Bay | 6/15/10 | 6/15/10 | Yes | | 4 |
| Redondo Beach | South Bay | 6/22/10 | 6/22/10 | Yes | | 4 |
| Rolling Hills | South Bay | 6/14/10 | 6/14/10 | Yes | | 4 |
| Rolling Hills Estates | South Bay | 6/22/10 | 6/22/10 | Yes | | 4 |
| Rosemead | San Gabriel Valley | 7/13/10 | 7/13/10 | Yes | | 1 |
| San Dimas | San Gabriel Valley | 6/8/10 | 6/8/10 | Yes | Kevin Fry is the contac | 5 |
| San Gabriel | San Gabriel Valley | 4/8/2011 | 4/7/2011 | Yes | | 5 |
| San Marino | San Gabriel Valley | 7/14/10 | 6/9/10 | Yes | | 5 |
| Santa Clarita | San Fernando Valley | 3/22/11 | 3/22/11 | Yes | | 5 |
| Santa Fe Springs | Gateway Cities | 6/10/10 | 6/10/10 | Yes | | 1 |
| Santa Monica | Westside Cities | 7/13/10 | 7/13/10 | Yes | | 3 |
| Signal Hill | Gateway Cities | 6/1/10 | 6/1/10 | Yes | | 4 |
| South El Monte | San Gabriel Valley | 6/22/10 | 6/22/10 | Yes | | 1 |
| South Gate | Gateway Cities | 6/22/10 | 6/22/10 | Yes | | 1 |
| South Pasadena | San Gabriel Valley | 7/7/10 | 7/7/10 | Yes | | 5 |
| Temple City | San Gabriel Valley | 6/15/10 | 6/15/10 | Yes | | 5 |
| Torrance | South Bay | 7/26/10 | 7/26/10 | Yes | | 4 |
| Walnut | San Gabriel Valley | 6/23/10 | 6/23/10 | Yes | | 1 |
| West Covina | San Gabriel Valley | 6/15/10 | 6/15/10 | Yes | | 5 |
| West Hollywood | Westside Cities | 6/14/10 | 6/14/10 | Yes | | 3 |
| Whittier | Gateway Cities | 7/27/10 | 7/27/10 | Yes | | 4 |
| Gardena | South Bay | 9/14/10 | 9/14/10 | No | | 2 |
| Lakewood | Gateway Cities | 6/22/10 | 6/22/10 | No | | 4 |
| Monterey Park | San Gabriel Valley | 7/7/10 | 7/7/10 | No | | 1 |

| City | COG Affiliation | Date of CC Meeting | Date of Adoption | Resolution Submitted to LA County? | Notes | Supervisorial District |
|---|---|---|---|---|---|---|
| **Pasadena** | San Gabriel Valley | 6/14/10 | 6/14/10 | No | | 5 |
| **Pomona** | San Gabriel Valley | 6/7/10 | 6/7/10 | No | | 1 |
| **Sierra Madre** | San Gabriel Valley | 6/8/10 | 6/8/10 | No | | 5 |
| **Agoura Hills** | Las Virgenes-Malibu | | | No | | 3 |
| **Azusa** | San Gabriel Valley | | | No | | 1 |
| **Bell** | Gateway Cities | | | No | | 1 |
| **Compton** | Gateway Cities | | | No | | 2 |
| **Maywood** | Gateway Cities | | | No | | 1 |
| **Montebello** | Gateway Cities AND San Gabriel Valley | | | No | | 1 |
| **San Fernando** | San Fernando Valley | | | No | | 3 |
| **Vernon** | Gateway Cities | | | No | | 1 |
| **Westlake Village** | Las Virgenes-Malibu | | | No | | 3 |

| City | Resolution Submitted to LA County? | Date of Adoption |
|---|---|---|
| Alhambra | Yes | 7/13/2010 |
| Arcadia | Yes | 7/20/2010 |
| Artesia | Yes | 6/14/2010 |
| Avalon | Yes | August |
| Baldwin Park | Yes | 6/16/2010 |
| Bell Gardens | Yes | 6/14/2010 |
| Bellflower | Yes | 6/28/2010 |
| Beverly Hills | Yes | 6/3/2010 |
| Bradbury | Yes | 6/15/2010 |
| Burbank | Yes | 7/6/2010 |
| Calabasas | Yes | 10/13/2010 |
| Carson | Yes | 6/15/2010 |
| Cerritos | Yes | 6/24/2010 |
| Claremont | Yes | 6/22/2010 |
| Commerce | Yes | 7/6/2010 |
| Covina | Yes | 6/15/2010 |
| Cudahy | Yes | 7/6/2010 |
| Culver City | Yes | 6/28/2010 |
| Diamond Bar | Yes | 6/15/2010 |
| Downey | Yes | 6/15/2010 |
| Duarte | Yes | 6/8/2010 |
| El Monte | Yes | 7/6/2010 |
| El Segundo | Yes | 7/6/2010 |
| Glendale | Yes | 7/6/2010 |
| Glendora | Yes | 7/3/2010 |
| Hawaiian Gardens | Yes | 7/27/2010 |
| Hawthorne | Yes | 6/22/2010 |
| Hermosa Beach | Yes | 6/8/2010 |
| Hidden Hills | Yes | 6/14/2010 |
| Huntington Park | Yes | 6/7/2010 |
| Industry | Yes | 6/2011? |
| Inglewood | Yes | 7/27/2010 |
| Irwindale | Yes | |
| La Cañada Flintridge | Yes | 6/21/2010 |
| La Habra Heights | Yes | 7/8/2010 |
| La Mirada | Yes | 6/22/2010 |
| La Puente | Yes | 12/14/2010 |
| La Verne | Yes | 6/7/2010 |
| Lancaster | Yes | 6/8/2010 |

| City | Resolution Submitted to LA County? | Date of Adoption |
|---|---|---|
| Lawndale | Yes | 10/18/2010 |
| Lomita | Yes | 6/21/2010 |
| Long Beach | Yes | 6/22/2010 |
| Los Angeles | Yes | |
| Lynwood | Yes | 7/6/2010 |
| Malibu | Yes | 6/28/2010 |
| Manhattan Beach | Yes | 6/15/2010 |
| Monrovia | Yes | 7/6/2010 |
| Norwalk | Yes | 7/20/2010 |
| Palmdale | Yes | 6/2/2010 |
| Palos Verdes Estates | Yes | 6/22/2010 |
| Paramount | Yes | 7/6/2010 |
| Pico Rivera | Yes | 7/13/2010 |
| Rancho Palos Verdes | Yes | 6/15/2010 |
| Redondo Beach | Yes | 6/22/2010 |
| Rolling Hills | Yes | 6/14/2010 |
| Rolling Hills Estates | Yes | 6/22/2010 |
| Rosemead | Yes | 7/13/2010 |
| San Dimas | Yes | 6/8/2010 |
| San Gabriel | Yes | 4/7/2011 |
| San Marino | Yes | 6/9/2010 |
| Santa Clarita | Yes | 3/22/2011 |
| Santa Fe Springs | Yes | 6/10/2010 |
| Santa Monica | Yes | 7/13/2010 |
| Signal Hill | Yes | 6/1/2010 |
| South El Monte | Yes | 6/22/2010 |
| South Gate | Yes | 6/22/2010 |
| South Pasadena | Yes | 7/7/2010 |
| Temple City | Yes | 6/15/2010 |
| Torrance | Yes | 7/26/2010 |
| Walnut | Yes | 6/23/2010 |
| West Covina | Yes | 6/15/2010 |
| West Hollywood | Yes | 6/14/2010 |
| Whittier | Yes | 7/27/2010 |
| Gardena | No | 9/14/2010 |
| Lakewood | No | 6/22/2010 |
| Monterey Park | No | 7/7/2010 |
| Pasadena | No | 6/14/2010 |
| Pomona | No | 6/7/2010 |

| City | Resolution Submitted to LA County? | Date of Adoption |
|---|---|---|
| Sierra Madre | No | 6/8/2010 |
| Agoura Hills | No | |
| Azusa | No | |
| Bell | No | |
| Compton | No | |
| Maywood | No | |
| Montebello | No | |
| San Fernando | No | |
| Vernon | No | |
| Westlake Village | No | |

FIELDMAN | ROLAPP & ASSOCIATES

# MEMORANDUM

To: Treasurer and Tax Collector
County of Los Angeles

From: Dan Wiles and Paul Pender
Fieldman, Rolapp & Associates

Re: March, 2010 Update: Financial Assumptions and Estimates for Los Angeles County Energy Program (LACEP) (AB 811 Contractual Assessments)

Date: March 5, 2010

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## Estimated Borrowing Cost for Program Participants

The LACEP contemplates providing individuals financing for renewable energy / energy efficient improvement projects averaging $10,000 each. The total effective capital cost for participants, based on current assumptions, is estimated to be 9.02%. This rate is derived from the following:

- A $250 upfront application fee
- A total assessment (or lien) amount of $10,925

The $10,925 assessment amount is based on the $10,000 participant project, plus certain start-up and financing costs. Start-up costs per participant are estimated at $460; with a $250 upfront application fee, the resulting balance of $210 is added to the amount assessed. Other costs included in the assessment amount are 1% for bond issuance costs and 6% for a bond reserve fund.

The repayment term is 15 years; this results in annual payments of approximately $1,230 per year. It is further under consideration that an additional annual administrative assessment may be levied.

## Sources of Financing & Participation Levels

It is contemplated that the primary source of financing the County will access and in turn lend to participants is publicly issued assessment district bonds. Subject to market conditions, this bond rate is estimated to be 7.25%. If the total amount of participant demand is less than $25 million, it is assumed the County will use privately procured interim financing. Based on current participation estimates, the only period in which interim financing is required is FY2011, or the first year of the program.

## Program Costs / Other Assumptions

It is assumed that the County program's administration and staff time will cost $350,000 per year, subject to 2% annual inflation. These costs will be fully covered by the spread between the bond rate and the effective rate charged to participants. Other on-going costs such as marketing and application processing are included in the $460 of start-up costs that will either be paid by the application fee or included in the assessment. Further details regarding program assumptions are provided on the next page.

FIELDMAN | ROLAPP & ASSOCIATES

# MEMORANDUM

| Program Assumptions | | | |
|---|---|---|---|
| Participation | | | |
| Number of Participants (Total, Years 1-15)[3] | | 337,461 | |
| Application Fee[1] | | $250 | |
| Average Project Disbursement Amount | | $10,000 | |
| Loan Repayment Period (years) | | 15 | |
| Loan Rate to Participants (Result) | | 7.45% | |
| Contractual Lien Amount (Assessment)[5] | | $10,925 | |
| Effective Borrowing Rate to Participants (Result)[8] | | 9.02% | |
| Administration | | | |
| Program Cost & Fee Inflation | | 2.00% | |
| Program Cost and Fee Efficiencies | | 0.00% | |
| Annual County Staff Time[1] | | $250,000 | |
| Annual Program Administration[1] | | $100,000 | |
| Program Start-up Costs / Per Participant[1] | | $460 | |
| County Staff Time | $10 | | |
| Education, Marketing, Customer Service | $100 | | |
| Application Processing | $100 | | |
| Printing and Shipping | $25 | | |
| Monitoring and Reporting | $75 | | |
| Loan Origination & Funds Disbursement | $100 | | |
| Financial Modeling & Payment Schedule | $25 | | |
| Lien Recordation | $25 | | |
| | | | |
| **External Funding & Finance** | | | |
| Program Grant/Seed Money[6] | | $6mm | |
| Investment Earnings | | 2.00% | |
| Interim Loan Rate[4,2] | | 6.75% | |
| Interim Loan Amount[7] | | $25,000,000 | |
| Term of Bonds Issued | | 15 | |
| 1915 Act Bond Interest Rate[2] | | 7.25% | |
| Fixed Costs of Bond Issuance | | $200,000 | |
| Variable Costs of Bond Issuance (Underwriter's Discount) | | 1.00% | |
| Bond Reserve Fund | | 6.00% | |

1. Subject to program cost and fee inflation
2. Subject to then market conditions
3. Per Program Consultant Projections as of March, 2010.
4. Per Program Consultant, equal to 1-mo LIBOR + 6.50%.
5. Project amount plus: 6% reserve fund, 1% bond costs, and program origination costs less application fee paid
6. Per County ISD
7. Interim Loan(s) assumed to be used until $25 million loan threshold for issuing bonds.
8. Includes both loan rate on assessment amount and upfront application fee cost.

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Planning**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE INCORPORATED AREA OF THE CITY OF COMPTON IN THE LOS ANGELES COUNTY ENERGY PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY AND WATER EFFICIENCY IMPROVEMENTS, APPROVING THE REPORT SETTING FORTH THE PARAMETERS OF THE REFERENCED PROGRAM AND CERTAIN MATTERS IN CONNECTION THEREWITH**

| | |
|---|---|
| ***Robert Delgadillo*** | **2/19/2015 12:33:01 PM** |
| DEPARTMENT MANAGER'S SIGNATURE | DATE |

**REVIEW / APPROVAL**

| | |
|---|---|
| ***<LegalName>*** | **<LegalDate>** |
| CITY ATTORNEY | DATE |
| ***Stephen Ajobiewe*** | **2/26/2015 4:11:00 PM** |
| CITY CONTROLLER | DATE |
| ***Johnny Ford*** | **2/26/2015 1:29:54 PM** |
| CITY MANAGER | DATE |

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

April 28, 2015

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: STEVE MASURA, DIRECTOR
COMMUNITY DEVELOPMENT

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH EVAN BROOKS ASSOCIATES FOR THE PREPARATION OF A CITYWIDE LIGHTING ASSESSMENT IN THE AMOUNT OF $32,600.00**

## SUMMARY

A resolution of the City Council of the City of Compton authorizing the City Manager to accept the proposal/bid from Evan brooks Associates in the amount of $32,600.00 to fund the preparation of a Citywide Lighting Assessment report.

## BACKGROUND

Streetscape lights serve an important community function, promoting downtown business and economic development and enhancing safety and security, particularly in areas of town where pedestrian and bicycle traffic are the greatest.

The City of Compton currently has several darks areas on City streets posing a threat to the public safety that need to be corrected. The City also desires to improve the night time beauty of the streets and public buildings through accent lighting. The Lighting Assessment report is the first step toward achieving those goals.

## STATEMENT OF THE ISSUE

Beginning in November 2014, the Planning and Economic Development Department contacted nine (9) firms to solicit proposals/bids for provision of professional consulting services and preparation of a City-wide Streetlight Assessment report that would result in improvements using lighting fixtures to increase safety and security while creating an inviting night time streetscape throughout the City. The City received three responses:

| Bid Respondents | Total Cost |
|---|---|
| Evan Brooks Associates | $32,600.00 |
| South Coast Lighting | $60,000.00 |
| The Ruzika Company | $60 to $70,000 |

Staff reviewed and evaluated the proposals received and while all firms are qualified, it was determined that Evans Brooks Associates has the experience, training, qualifications and understanding of the project scope of work to provide the needed services at a reasonable cost.

## FISCAL IMPACT

The fiscal impact to the City will be the amount of the contract cost $32,600.00 which can be accommodated in the Planning and Economic Development Department 2014-2015 Fiscal Year budget. Funds are available in Account No. 1001 780 000 4262 (Other Contract Services).

## RECOMMENDATION

Staff recommends adoption of the attached resolution.

**STEVE MASURA, DIRECTOR**
**COMMUNITY DEVELOPMENT**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH EVAN BROOKS ASSOCIATES FOR THE PREPARATION OF A CITYWIDE LIGHTING ASSESSMENT IN THE AMOUNT OF $32,600.00**

**WHEREAS,** streetscape lights serve an important community function, promoting downtown business and economic development and enhancing safety and security, particularly in areas of town where pedestrian and bicycle traffic are the greatest; and

**WHEREAS,** the City of Compton currently has several darks areas on City streets posing a threat to the public safety that need to be corrected, in addition to desires to improve the night time beauty of the streets and public buildings through accent lighting, thus preparing a Lighting Assessment report is the first step toward achieving those goals; and

**WHEREAS,** in November 2014, the Planning and Economic Development Department contacted nine (9) firms to solicit proposals/bids for provision of professional consulting services and preparation of a City-wide Streetlight Assessment report that would result in improvements using lighting fixtures to increase safety and security while creating an inviting night time streetscape throughout the City; and

**WHEREAS,** the City received three responses and after reviewing the proposals submitted determined that Evans Brooks Associates has the experience, training, qualifications and understanding of the project scope of work to provide the needed services at a reasonable cost; and

**WHEREAS**, staff has recommended that the City Council accept the proposal/bid submitted by Evan Brooks Associates at the cost of Thirty Two Thousand Six Hundred Dollars ($32,600) for preparation of a City-wide Lighting Assessment; and

**WHEREAS**, a California Environmental Quality Act analysis has been performed for the project area and the requested contract is Statutorily Exempt under Section 15262 Feasibility and Planning Studies, and

**WHEREAS**, funding for this project is available in the 2014-2015 Fiscal Year budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** That the City Manager, on the advice and approval of the City Attorney is hereby authorized to enter into a professional services agreement with Evan Brooks Associates for the preparation of a City-wide Street Lighting Assessment.

**Section 2.** That a purchase order in the amount of Thirty Two Thousand Six Hundred Dollars ($32,600) is authorized to be issued for Evan Brooks Associates for preparation of the Lighting Assessment.

**Section 3.** That funds for this expenditure are appropriated in 2014-2015 Fiscal Year budget in Account No. 1001-78-0000-4262.

**Section 4.** That a certified copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Controller, and Planning and Economic Development Department.

**Section 5.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**PROFESSIONAL SERVICES AGREEMENT**
**BETWEEN**
**CITY OF COMPTON**
**AND**
**EVAN BROOKS ASSOCIATES**

This **AGREEMENT** is entered by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and **EVAN BROOKS ASSOCIATES** (hereinafter referred to as **"CONSULTANT"**), located at 1030 South Arroyo Parkway, Suite 204 Pasadena, Ca. 91105.

**RECITALS:**

**WHEREAS,** the City is concerned about street safety at night and that adequate street lighting be provided to improve safety; and

**WHEREAS,** adequate lighting in residential areas and commercial areas is of paramount importance to the citizens, businesses and customers of the City of Compton; and

**WHEREAS,** the City has determined that it will be prudent to engage the services of a professional consulting firm experienced in conducting a street lighting assessment and assist the City in preparation of a comprehensive Street Lighting Assessment Report; and

**WHEREAS,** by Resolution No. _____, adopted on the __ of _____ 2015, the City Council authorized the City Manager to accept the proposal of the Consultant (Evans Brooks Associates) and enter into a contract to provide the necessary services; and

**WHEREAS,** Consultant warrants that it is specifically trained, experienced, competent, and has the resources to provide such services which will be required by this project; and

**WHEREAS,** Consultant is willing to render such professional services subject to the terms and conditions set forth in this Agreement.

**NOW, THEREFORE,** Consultant and City**,** for the consideration, terms and conditions herein described, mutually agree as follows:

**AGREEMENT:**

**1.** **Services to be rendered by Consultant.** It is the mutual understanding of the parties that the Consultant shall perform and be responsible for conducting a study to prepare a Citywide a Citywide Lighting Assessment. The scope of services to be provided includes, but may not be limited to completion of the following tasks and deliverables:

Task 1 – Project Development ($1,600)

Task 2 – Windshield Survey/Data Collection ($11,500)

Task 3 – Existing Conditions Assessment ($6,500)

Task 4 - Mapping of Streetlight Locations ($8,000)

Task 5 – Final Report/Findings/Recommendations ($5,000)

As more fully described in Consultant's **"Proposal – Compton Citywide Streetlight Assessment and Improvements Project,"** dated November 19, 2014, which is attached hereto and incorporated by this reference herein.

Consultant acknowledges that in entering into this Agreement the City is relying on Consultant's special skills and experience to do and perform the services in accordance with best standards of professional practice. While performing the Services, Consultant agrees to perform all the said work and furnish all the necessary materials at its own cost and expense necessary to complete said services in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances and to the reasonable satisfaction of the City**.**

Consultant services hereunder shall be performed in good, workmanlike and professional manner. Consultant shall be responsible for correcting and completing all errors and omissions related to the services provided by the Consultant for this Agreement at no additional cost to the City**.** "Errors" and "Omissions" for purposes of this paragraph are defined to mean a failure by the Consultant to meet the standards of its profession as set forth in the preceding paragraph. The acceptance of the services by City does not release Consultant from these obligations.

Consultant will be responsible for employing or engaging all persons necessary to perform the services. All of Consultant's staff will be qualified by training and experience to perform their assigned tasks. Consultant will give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and will keep the services under its control. On demand of City, if any employee or subcontractor of Consultant fails or refuses to carry out the provisions of this Agreement or appears to be incompetent or to act in a disorderly or improper manner, he or she will be discharged immediately from the services.

Carlos Villarreal, Project Manager of Consultant, shall be primarily responsible for representing Consultant in performance of this Agreement.

**2. <u>Duration of Contract.</u>** Consultant agrees to commence the services provided for herein upon written Notification to Proceed from the City and to continue in a diligent and professional manner until the project is complete, unless terminated earlier. The parties anticipate that Consultant's services will be completed within 180 calendar days from issuance of the Notice to Proceed.

Consultant will generally adhere to the schedule set forth within Consultant's Proposal provided that City will grant reasonable extensions of time for the performance of the services occasioned by unusually lengthy governmental reviews of Consultant's work product or other unavoidable delays occasioned by unforeseen circumstances; provided, further, that such unavoidable delay will not include strikes, lockouts, work stoppages, or other labor disturbances conducted by, or on behalf of, Consultant's officers or employees.

Consultant acknowledges the importance to City of the project schedule and agrees to put forth its best professional efforts to perform the services in a manner consistent with that schedule. City understands, however, that Consultant's performance must be governed by sound practices. Consultant will work such overtime or engage such personnel and equipment as necessary to maintain the schedule, without additional compensation.

**3. Compensation.** The method of payment for this Contract will be on a fee-for-services, per Task, basis as specified within Consultant's "Proposed Budget" included within Consultant's incorporated Proposal. The total price paid the Consultant will include compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the Consultant, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total compensation will be negotiated between the Consultant and the City. Adjustment in the total compensation will not be effective until authorized and approved in writing by the City**.**

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the Consultant. If Consultant fails to submit the required deliverable items according to schedule or as required by the Agreement, except for those amounts that are due and not reasonably in dispute, the City shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

Consultant shall be reimbursed within thirty (30) days, or as promptly as fiscal procedures may permit, upon receipt by the City of itemized invoices for services completed. Invoices shall be submitted no later than 45 calendar days after the performance of work for which the Consultant is billing. Invoices shall detail the work performed on each task as applicable. Invoices shall be delivered or mailed to the **Director of Community Development** at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

As full and complete compensation for performance of all the services agreed to be performed by the Consultant pursuant to this Agreement, City shall pay, and Consultant agrees to accept, a not-to-exceed maximum sum of **Thirty Two Thousand Six Hundred Dollars ($32,600.00).**

In the event of termination, the Consultant shall be entitled to compensation for the undisputed reasonable value of services performed to the effective date of termination, including any noncancellable obligations incurred prior to termination; provided, however, that the City may condition payment of such compensation upon the Consultant's delivery to the City of any and all City property, documents, reports, records, materials and work product associated with the performance of this Agreement.

**4. Ownership of Materials.** All product produced by Consultant or its agents, employees, and subcontractors pursuant to this Agreement (the "Work Product") is the property of City. In the event this Agreement is terminated, all Work Product produced by Consultant or its agents, employees and subcontractors pursuant to this Agreement will be delivered to City pursuant to the termination clause of this Agreement. Consultant will have the right to make one (1) copy of the Work Product for Consultant's records.

The Work Product may be used by City and its agents, employees, representatives, and assigns, in whole or in part, or in modified form, for all purposes City may deem advisable, without further employment of or payment of any compensation to Consultant; provided, however, that if this Agreement is terminated for any reason prior to completion of the Project and if under such circumstances City uses, or engages the services of and directs another consultant to use, the Work Product, City agrees to hold Consultant harmless from any and all liability, costs, and expenses relative to claims arising out of matters and/or events which occur subsequent to the termination of this Agreement as a result of causes other than the fault or negligence of Consultant, or anyone for whose acts it is responsible, in preparation of the Work Product. Consultant will not be responsible for deficiencies solely attributable to modifications of the Work Product performed by others, or that arise from use of the Documents in connection with a project or site other than that shown in the Work Product.

**5. Independent Contractor Status.** Consultant, its officers, employees, subconsultants, subcontractors, agents and volunteers (collectively hereinafter the "Consultant"), will perform the services in Consultant's own way and pursuant to this Agreement as an independent contractor and in pursuit of Consultant's independent calling, and not as an employee of City. The persons used by Consultant to provide the services under this Agreement will not be considered employees of City for any purposes. Neither the City nor any of its officers, employees, agents or volunteers shall have any control over the conduct of the Consultant, except as expressly set forth in this Agreement. Consultant expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that Consultant shall not at any time or in any manner, represent that Consultant is in any manner officers, employees, agents or volunteers of the City. Consultant shall obtain no rights to retirement, health care or any other benefit that accrue to City officials, officers, or employees. Consultant expressly waives any claim to such rights.

The payment made to Consultant pursuant to the Agreement will be the full and complete compensation to which Consultant is entitled. City will not make any federal or state tax withholdings on behalf of Consultant or its agents, employees or subcontractors. City will not pay any workers' compensation insurance, retirement contributions or unemployment contributions on behalf of Consultant or its employees or subcontractors. Consultant agrees to indemnify and pay City within thirty (30) days for any tax, retirement contribution, social security, overtime payment, unemployment payment or workers' compensation payment which City may be required to make on behalf of Consultant or any agent, employee, or contractor of Consultant for work done under this Agreement. At the City's election, City may deduct the amounts paid pursuant to this Section, from any balance owing to Consultant.

**6. Successors, Assignment and Delegation.** City and the Consultant each binds themselves, their partners, successors, assigns and legal representatives to the other hereto and to partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in this Agreement.

The expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign or transfer any interest in this Agreement or the performance of any of Consultant's obligations under this Agreement without the prior written consent of the City. Any attempted assignment or transfer of any of Consultant's rights, duties or obligations arising under this Agreement shall be null and void.

**7. Nondiscriminatory Employment Practices.** During the performance of this Agreement, the Consultant agrees not to discriminate against any employee or applicant for employment because of race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees, applicants and subcontractors for employment, notices setting forth the provisions of this non-discrimination clause.

In the event of the Consultant's non-compliance with the non-discrimination clause of this Agreement, this Agreement may be immediately canceled, terminated or suspended in whole or in part.

**8. Subcontracting.** Consultant's services are unique and personal. Except as may be specified in Consultant's Proposal and agreed to by the City, Consultant will not subcontract any portion of the services without prior written approval of City Manager or his/her designee. If Consultant subcontracts any of the services, Consultant will be fully responsible to City for the acts, errors and omissions of Consultant's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Consultant and City. Consultant will be responsible for payment of subcontractors. Consultant will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Consultant's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

**9. Other Consultants.** The City reserves the right to employ other consultants in connection with the services.

**10. Indemnification.** Consultant shall indemnify and save harmless the City, its officials, officers, employees, agents and volunteers (collectively hereinafter the "City"), against any and all damages to property or injuries to or death of any person or persons, including property and employees or agents of the City and shall indemnify and save the City from any and all liability and expense including reimbursement of reasonable defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever to the extent resulting from or arising out of the negligent, reckless or willful misconduct for the Consultant, its officers, employees, subconsultants, subcontractors or agents in the performance of the duties undertaken by Consultant pursuant to this Agreement.

This indemnification and hold harmless obligation does not extend to claims arising out of the negligence or willful misconduct of the City.

**11. Insurance.** Without limiting the Consultant's indemnification of the City, Consultant shall obtain and maintain, at its cost and expense, for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the services by Consultant or Consultant's agents, representatives, employees or subcontractors. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. Such evidence shall specifically identify this Agreement and shall contain express conditions that the City is to be given written notice at least thirty (30) days in advance of any termination or implementation of a reduction of limits or material change of insurance coverage as specified herein. ***Failure on the part of the Consultant to procure or maintain insurance shall constitute a material breach upon which the City may immediately terminate this Agreement.*** All insurance required hereunder shall be primary with respect to any insurance maintained by the City**.**

Coverages and Limits. Consultant will maintain the types of coverages and minimum limits indicated below, unless the Risk Manager or City Manager, in consultation with the City Attorney approves a lower amount. These minimum amounts of coverage will not constitute any limitations or cap on Consultant's indemnification obligations under this Agreement. City, its officers, agents, volunteers and employees make no representation that the limits of the insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. The coverage will contain no special limitations on the scope of its protection to the below-designated insured's except for Workers Compensation and errors and omissions insurance. Consultant will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage, as Consultant deems adequate, at Consultant's sole expense.

11.1 Commercial General Liability Insurance. $1,000,000 combined single-limit per occurrence for bodily injury, personal injury, property damage and contractual liability. If the submitted policies contain aggregate limits, general aggregate limits shall apply separately to the work under this Agreement or the general aggregate shall be twice the required per occurrence limit. Claims-made coverage is not acceptable.

11.2 Commercial Automobile Liability. $1,000,000 combined single-limit per accident for bodily injury and property damage. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles and equipment, or coverage for "any auto".

11.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code and Employer's Liability limits of $1,000,000 per accident for bodily injury and which specifically covers all persons providing services by or on behalf of the Consultant and all risks to such persons under the Agreement. Workers' Compensation and Employer's Liability insurance will not be required if Consultant has no employees and provides, to City's satisfaction, a declaration stating this.

11.4 Professional Liability. Errors and omissions liability appropriate to Consultant's profession with limits of not less than $1,000,000 per claim. The coverage shall also provide an extended two (2) year reporting period commencing upon termination or cancellation of this Agreement. The coverage shall be written on a claims-made basis.

Endorsements. For Commercial General Liability Insurance and Automobile Liability Insurance, Consultant will ensure that the policies are endorsed to name the "City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers" as **"additional insured's"** with respect to liability arising out of the activities of the Consultant. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City. ***Prior to City's execution of this Agreement, Consultant shall furnish certificates of insurance and endorsements to City.***

Waiver of Subrogation. The policies shall contain a waiver of subrogation for the benefit of City.

**12. Permits and Licenses.** Consultant, at its own expense, during the term of this Agreement, shall obtain and maintain all appropriate business and professional permits, licenses and certificates that may be required in connection with the performance of services by the Consultant. Upon execution of this Agreement, the Consultant shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

**13. Maintenance of Records.** Consultant will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Consultant will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Consultant will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years, or longer if required by law, from the date of final payment under this Agreement.

**14. Warranties.** Consultant represents and warrants (i) that Consultant has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with Consultant's undertaking this relationship with City, (ii) that the performance of the services called for by this Agreement do not and will not violate any applicable law, rule or regulation or any proprietary or other right of any third party, (iii) that Consultant will not use in the performance of his responsibilities under this Agreement any confidential information or trade secrets of any other person or entity and (iv) that Consultant has not knowingly entered into or will enter into any agreement (whether oral or written) in conflict with this Agreement.

**15. Federal and State Withholding Taxes.** Consultant shall be responsible for paying when due all federal and state income withholding taxes for all earning under this Agreement. Consultant agrees to indemnify City for any claims, costs, losses, fees, penalties, interest, or damages suffered by City resulting from Consultant's failure to comply with this provision.

**16. General Compliance with Laws.** Consultant will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of the services by Consultant. Consultant will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of the services with all applicable laws, ordinances and regulations. In the event the Consultant encounters any conflict between such laws and ordinances, Consultant shall notify the City in writing and the parties agree to work cooperatively to resolve the conflict.

**17. Termination.** In the event of the Consultant's failure to prosecute, deliver, or perform the services, after giving written notice of default and two (2) days to correct the same, then, in addition to any other remedies, City may terminate this Agreement for nonperformance by

notifying Consultant in writing. Consultant has five (5) business days to deliver any documents owned by City and all work in progress to City address contained in this Agreement. City will make a determination of fact based upon the work product delivered to City and of the percentage of work that Consultant has performed which is usable and of worth to City in having the Agreement completed. Based upon that finding City will determine the final payment of the Agreement. In the event City elects to terminate, City will have the right to immediate possession of all Work Product and work in progress prepared by Consultant, whether located at the project site, at Consultant's place of business, or at the offices of a subconsultant.

The City's obligation is payable only from funds appropriated for the purpose of this Agreement. All funds for payments after the end of the current fiscal year are subject to the City's legislative appropriation for this purpose. In the event this Agreement extends into succeeding fiscal year periods and the City Council does not allocate sufficient funds for the next succeeding fiscal year payments, this Agreement shall terminate immediately upon written notice from the City.

Either Party, upon tendering fifteen (15) calendar days written notice to the other Party, may terminate this Agreement for convenience. In this event and upon request of City, Consultant will assemble the work product without charge and put it in order for proper filing and closing and deliver it to City. Consultant will be paid for work performed to the termination date; however, the total will not exceed the lump sum fee payable under this Agreement. City will make the final determination as to the portions of tasks completed and the compensation to be made.

**18. Covenants Against Contingent Fees.** Consultant warrants that Consultant has not employed or retained any company or person, other than a bona fide employee working for Consultant, to solicit or secure this Agreement, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, City will have the right to terminate this Agreement for nonperformance, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of the fee, commission, percentage, brokerage fees, gift, or contingent fee.

**19. Claims And Lawsuits.** By signing this Agreement, Consultant agrees that any Agreement claim submitted to City must be asserted as part of the Agreement process as set forth in this Agreement and not in anticipation of litigation or in conjunction with litigation. Consultant acknowledges that if a false claim is submitted to City by Consultant, it may be considered fraud and Consultant may be subject to criminal prosecution. Consultant acknowledges that California Government Code sections 12650 *et seq.*, the False Claims Act, applies to this Agreement and, provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of information. If City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorney's fees. Consultant acknowledges that the filing of a false claim may subject Consultant to an administrative debarment proceeding as the result of which Consultant may be prevented to act as a Consultant on any public work or improvement for a period of up to five (5) years. Consultant acknowledges debarment by another jurisdiction is grounds for City to terminate this Agreement.

**20. Certifications.** The Consultant, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against he/she/it by a court of competent jurisdiction in any matter involving fraud or official misconduct in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract under a public transaction; violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property within the past 3 years; and
- are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in the preceding paragraph; and
- have not had one or more public transactions (Federal, State or local) terminated for cause or default within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

***[Supply exceptions on separate page]***

For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

***[Attach separate page]***

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction. The above certifications are part of this contract. Signing this agreement on the signature portion thereof shall also constitute signature of the above Certifications.

_____ _____

**Hal Suetsugu, Vice President** **(Date)**

**21. Jurisdiction, Venue and Governing Law.** Any action at law or in equity brought by either of the Parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the Parties waive all provisions of law providing for a change of venue in these proceedings to any other county. This agreement will be governed by the laws of the State of California.

**22. Testimony.** Consultant will testify at City's request if litigation is brought against City in connection with Consultant's services under this agreement. Unless the action is brought by Consultant, or is based upon Consultant's actual or alleged negligence or other wrongdoing, City, upon prior written agreement with Consultant will compensate Consultant for time spent in

preparation for testimony, testimony, and travel at Consultant's standard hourly rates at the time of actual testimony.

**23. Waivers.** The waiver by either Party of any breach or violation of any term, covenant, or condition of this Agreement or of any applicable law will not be deemed to be a waiver of such term, covenant, condition or law or of any subsequent breach or violation of same or of any other term, covenant, condition or law. The acceptance by either Party of any fee or other payment which may become due under this Agreement will not be deemed to be a waiver of any preceding breach or violation by the other Party of any term, covenant, or condition of this Agreement or any applicable law.

**24. Authority.** The individuals executing this Agreement and the instruments referenced in it on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Agreement.

**25. Severability.** If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

**26. Amendments.** This Agreement may be modified or amended only be written document executed by both Consultant and City's City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

**27. Confidentiality.** All documents, reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of the Services pursuant to the Agreement are confidential until released by the City to the public, and the Consultant will not make any of these documents or information available to any individual or organization not employed by the Consultant or the City without the written consent of the City before any such release.

**28. Entire Agreement.** This Agreement, together with any other written document referred to or contemplated by it embody the entire Agreement and understanding between the parties relating to the subject matter of it. The City Manager is authorized, in consultation with the City Attorney, to agree to non-material amendments to this Agreement. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties.

**29. Notices.** Any notices required or permitted under this Agreement shall be effective when delivered in person; and effective one (1) business day after delivery by facsimile transmission; and effective five (5) days after mailing by U.S. Mail, postage prepaid and properly addressed as follows:

**To Consultant:** **EVAN BROOKS ASSOCIATES**
**1030 Arroyo Parkway Suite 204**
**Pasadena, CA. 91105**
**Attn: Hal Suetsugu, Vice President**
**(626) 799-8011**
**(888) 832-8798 – fax.**

**To City:** **CITY OF COMPTON**
**205 South Willowbrook Avenue**
**Compton, California 90220**
**Attn: Director, Community Development**
**(310) 605-5532**
**(310) 761-1488 – fax.**

**Copy to:** **City of Compton**
**205 South Willowbrook Avenue**
**Compton, California 90220**
**Attn: City Manager**

**30.** **Miscellaneous.** No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision.

Should either party hereto, or any representative, successor or assign of either party hereto, resort to litigation to enforce the provisions of this Agreement, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to recover its or their reasonable attorney's fees and costs in such litigation from the party or parties against whom enforcement is sought.

**IN WITNESS WHEREOF, CONSULTANT** has executed this Agreement, and the **CITY**, by its City Manager, who is authorized to do so, has executed this Agreement.

**EVAN BROOKS ASSOCIATES**
**CONSULTANT**

**Dated: _____** **By _____**
**Hal Suetsugu, Vice President**

**CITY OF COMPTON**
**Recommended for Approval:**

**By _____** **Dated: _____**
**Steven Masura, Director**
**Community Development**

**Approved by:**

**Dated: _____** **By _____**
**Johnny Ford, City Manager**

**Approved as to form:**

**By _____** **Dated: _____**
**Craig J. Cornwell, City Attorney**

**ATTEST:**

**Dated: _____** **By _____**
**Alita Godwin, City Clerk**

#18.

# City of Compton

## Citywide Streetlight Assessment & Improvements Project

## Project Action Plan and Budget

**Objective:** Provide an assessment of all streetlights in the City and identify opportunities to increase efficiency, reduce waste, identify light pollution, and evaluate alternatives and innovative lighting programs to further enhance the safety of the streets of Compton.

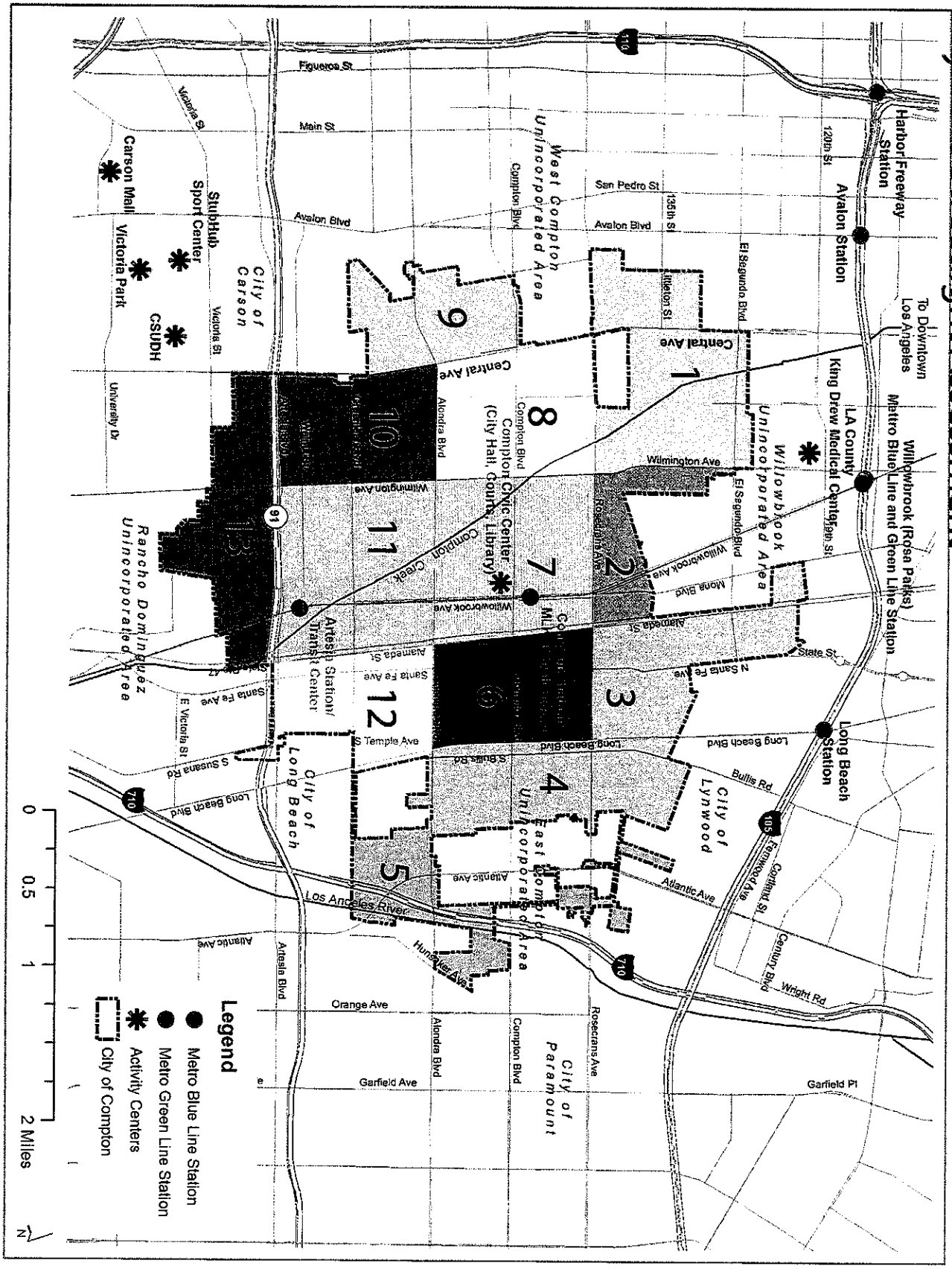
| Required Activities | Estimated Completion Date | Responsible Lead (organization or person) | Budget |
|---|---|---|---|
| *Project Development*<br>• *Meet with City staff to develop project schedule, scope and timeline*<br>• *Develop/provide Project Action Plan and updated budget to City to include in development services agreement.*<br>• *City Council approval of development services agreement* | *March 26, 2015*<br>*April 3, 2015*<br>*April 21, 2015* | *EBA / City*<br>*EBA* | *$640.00* |
| *Preparation of city base maps and methodology for data collection and street surveys.* | *May 1, 2015* | *EBA* | *$960.00* |
| *Data Collection:*<br>• *Daytime windshield / sidewalk survey (May 25-29)*<br>• *Evening windshield survey* (12 weekdays - 8:00pm - 11:00pm)*<br>*Week #1 – May 4 – 7 (Mon. – Thu.)*<br>*Week #2 – May 11 – 14 (Mon. – Thu.)*<br>*Week #3 – May 18 – 21 (Mon. – Thu.)*<br>**Work with Police Department for scheduling & availability.*<br>• *Evaluate lighting conditions and illumination at all City facilities. City to provide list of locations.*<br>• *Evaluate conditions at key intersections for potential aesthetic and lighting enhancements.* | *May 29, 2015* | *EBA / City* | *$11,500.00* |

| Required Activities | Estimated Completion Date | Responsible Lead (organization or person) | Budget |
|---|---|---|---|
| *Existing Conditions Assessment:*<br>• *Identify lighting levels and dark spots*<br>• *Assess condition of light posts*<br>• *Verify working conditions*<br>• *Assess the lighting quality (glare, spill-over, dark spots, brightness, etc.)*<br>• *Verify and assess lighting distances*<br>• *Verify lighting pole type and height* | *June 12, 2015* | *EBA* | *$6,500.00* |
| *Mapping of Streetlight locations*<br>• *Preparation of comprehensive map of citywide streetlight system*<br>• *Collection of digital photographs* | *June 26, 2015* | *EBA* | *$8,000.00* |
| *Findings and Recommendations*<br>• *Lighting recommendations*<br>• *Safety recommendations*<br>• *Alternatives*<br>• *Innovative Lighting and beautification recommendations* | *July 10, 2015* | *EBA* | *$3,000.00* |
| *Final Report* | *July 31, 2015* | *EBA* | *$2,000.00* |
| | | | ***TOTAL $32,600.00*** |



#18.

# Citywide Streetlight Assessment



November 19, 2014

# Service Proposal

**To:** Robert Delgadillo, Community Development Director
City of Compton
Public Works Department
205 S Willowbrook Avenue
Compton, CA 90220

**From:** Hal Suetsugu, Vice President, Evan Brooks Associates

**Proposal:** **COMPTON CITYWIDE STREETLIGHT ASSESSMENT AND IMPROVEMENTS PROJECT**

## Project Understanding

The City of Compton is requesting a proposal to provide a Citywide Streetlight Assessment Project. Streetscape lights serve an important community function, promoting downtown business and economic development and enhancing safety and security, particularly in the more densely populated areas of town where pedestrian and bicycle traffic are greatest. Street lighting should at the same time be as efficient and cost-effective as possible and should be located only where needed in order to reduce energy waste and unnecessary cost to taxpayers. This proposed project would result in improvements using lighting fixtures to increase safety and security while creating an inviting night time streetscape throughout the City of Compton.

The goals of the assessment are to: 1) ensure the City's lights are in good working order and condition; 2) identify opportunities to increase efficiency, reduce waste and light pollution; and 3) evaluate alternatives and innovative programs to further enhance the safety of the streets.

## Scope of Work

1. **Project Development**
   - Meet with city staff to develop the project scope, schedule, and timeline.

2. **Windshield Survey / Data Collection**
   - Staff will complete a windshield survey to identify light levels and dark spots; and
   - Collect list of the street lights that include the type, size, pole number and street location.

3. **Existing Conditions Assessment**
   - Develop Project Study Report to identify and assess existing conditions; and
   - Verify whether the lights match the list and whether they are working and covering the intended areas; and
   - Assess the light quality (glare/light pollution or insufficient brightness); and

- Assess whether the size of the light could be reduced or eliminated altogether; and
- Evaluate the light levels to find the dark spots and make recommendations for improving the lighting for safety.

4. **Mapping of Streetlight Location**
   - Prepare a comprehensive map of the citywide streetlight system.
   - Collect digital photographs of the project site.

5. **Final Report**
   - Findings
   - Recommendations

## Proposed Budget

Compensation for the services shown in the scope of work contained in this Service Proposal shall be in an amount **not to exceed** $32,600, including reimbursable expenses as shown in the following table.

| Task | Budget |
|---|---|
| 1. Project Development | $1,600 |
| 2. Windshield Survey/Data Collection | 11,500 |
| 3. Existing Conditions Assessment | $6,500 |
| 4. Mapping of Streetlight Locations | $8,000 |
| 5. Final Report/Findings/Recommendations | $5,000 |
| **TOTAL BUDGET NOT TO EXCEED** | **$32,600** |

## Additional Services

EBA will provide a service not included in this Service Proposal's scope of work as an "additional service" upon receipt of a fully executed scope of work and budget amendment from city staff. Compensation for the additional service shall be in a not-to-exceed budget amount to be negotiated between the EBA and the city. The budget amount will be based on EBA's most current hourly billing rates shown on the following table.

**EBA 2014 Hourly Billing Rates**

| EBA Staff | Hourly Rate |
|---|---|
| Project Principal | $180 |
| Project Manager | $160 |
| Project Planner/Engineer | $150 |
| Environmental Specialist | $140 |
| Associate Planner/Engineer | $110 |
| Research/Funds Analyst | $100 |
| Mapping/Graphics Designer | $90 |
| Administrative Support | $75 |

# Notice to Proceed Approval:

**Project:** Preparation and submittal of a Streetscape Lighting Assessment Report for the City of Compton.

**Budget not to exceed:** $32,600

**Approval**

Robert Delgadillo, Community Development Director
City of Compton

Date

**Concurrence:**

Hal Suetsugu, Vice President
Evan Brooks Associates
hal@ebaplanning.com
o. 626-799-8011
c. 818-521-9947

Date



#18

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Planning**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH EVAN BROOKS ASSOCIATES FOR THE PREPARATION OF A CITYWIDE LIGHTING ASSESSMENT IN THE AMOUNT OF $32,600.00**

***Robert Delgadillo*** — **4/8/2015 6:22:52 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

**REVIEW / APPROVAL**

***Ruth Rugley*** — **4/21/2015 2:58:57 PM**
CITY ATTORNEY — DATE

***Stephen Ajobiewe*** — **4/16/2015 9:56:33 AM**
CITY CONTROLLER — DATE

***Johnny Ford*** — **4/16/2015 8:55:06 AM**
CITY MANAGER — DATE

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

April 28, 2015

**TO:** **MAYOR AND COUNCIL MEMBERS**

**FROM:** **RENEA FERRELL, GRANTS MANAGER**
**CITY MANAGER'S OFFICE**

**SUBJECT:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH B-ADAIR CONSULTING AND ADMINISTRATIVE SERVICES TO PROVIDE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT AND NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT - RELATED CONSULTING SERVICES**

## SUMMARY

Staff is requesting the City Council authorize the City Manager to enter into a twenty-two (22) month (i.e. September 1, 2014 through June 30, 2016) with B-Adair Consulting and Administrative Services in the amount of $45,000 (Forty-Five Thousand) per fiscal year for a total of $90,000 (Ninety Thousand Dollars) to provide HOME Investment Partnerships Program (HOME) Grant and Neighborhood Stabilization Program (NSP) Grant - related consulting services.

## BACKGROUND

The City of Compton receives approximately $450,000 of HOME grant funds annually from the U.S. Department of Housing and Urban Development (HUD) in addition to the one time allocations of the Neighborhood Stabilization Program (NSP 1, NSP 2 & NSP 3) for the implementation of housing programs to prevent and eliminate the foreclosures in the City and provide affordable housing to low- and moderate-income persons.

The City has utilized the services of outside experts to assist with the planning, implementation and evaluation of our HUD funded programs. The City desires to employ the services of an experienced and reputable consultant with specialized knowledge of federal regulations as they pertain to the administration of the Neighborhood Stabilization Program (NSP) Program and HOME Rehab. The City solicited Requests for Proposals (RFP) for services of qualified companies to assist in administering the City's federal grants.

Two (2) companies responded to the RFP offering to assist the City. These companies were B-Adair Consulting and Administrative Services, and MDG and Associates. After careful consideration, staff determined that the best company to assist the City in the identified areas of HOME Rehab and NSP was B-Adair Consulting and Administrative Services.

B-Adair Consulting

- Develop a monitoring plan and monitor all NSP projects/programs for appropriate records maintenance, reporting, and compliance with applicable program requirements.
- Create and maintain files HOME rehab and NSP funded projects/activities and programs.
- During HUD monitoring, assist the City in gathering and providing requested information to support compliance with HUD requirements.
- Provide research and analysis as requested by City.
- Attend public meetings, as needed.
- Provide any other administrative services as required to properly administer the City's HOME Rehab and NSP programs.
- Provide quarterly status reports on the status of work projects/activities and programs assigned, unless otherwise instructed by the City.
- Assist in Program Implementation of the Neighborhood Stabilization Program
- Assist in Program Implementation of HOME- CHDO Program as well HOME- Fix It and Deferred Equity Loan Programs

**STATEMENT OF ISSUE**

As an entitlement City of HUD funds, we are required to provide support documentation for all expenses incurred. It is staff's recommendation that the suggested consultant has the unique qualifications that could greatly assist the City with these endeavors as it pertains to the HOME Rehab and NSP Program.

**ALTERNATIVE**

Due to this highly specialized field, there are limited alternatives available. One option is to re-issue the RFP to see other qualified consultants would apply.

**FISCAL IMPACT**

This resolution will have no impact on the General Fund. The fees for these services will be paid from the accounts in the Grants Division budget:

| Account No. | Account Description | Amount |
|---|---|---|
| 1675-510-000-4262 | Other Professional Services | $15,000 |
| 1674-510-000-4262 | Other Professional Services | $10,000 |
| 2805-510-000-4262 | Other Professional Services | $65,000 |

**RECOMMENDATION**

Staff recommends that the Mayor and Council Members authorize the City Manager to execute an agreement with B-Adair Consulting and Administrative Services in the amount of $90,000 to provide consulting services for HOME Investment Partnerships Program (HOME) Grant and Neighborhood Stabilization Program (NSP) Grant - related consulting services.

**RENEA FERRELL, GRANTS MANAGER**
**CITY MANAGER'S OFFICE**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH B-ADAIR CONSULTING AND ADMINISTRATIVE SERVICES TO PROVIDE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT AND NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT - RELATED CONSULTING SERVICES**

**WHEREAS,** the City is awarded approximately $450,000 annually in HOME Investment Partnerships Program (HOME) grant funds to implement affordable housing programs, such as the First-Time Homebuyer Program, Residential Rehabilitation Programs, and Community Housing Development Organization (CHDO) Programs; and

**WHEREAS**, the City's Grant Division administers the CDBG, ESG, HOME and NSP Programs; and

**WHEREAS,** each year the City utilize the services of outside experts to assist in planning, implementation, and evaluation of these programs; and

**WHEREAS,** the City reviewed two (2) consulting company's qualifications proposal to perform all or part of the services needed; and

**WHEREAS,** after careful consideration, staff has determined that, B-Adair Consulting Administrative Services is a qualified company that can provide the City with the required support services necessary to meet HUD's statutory and regulatory requirements and other HUD related issues.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** That the City Manager, on advise and approval of the City Attorney is hereby authorized to enter into a twenty-two (22) month (i.e. September 1, 2014 through June 30, 2016) professional services agreement with B-Adair Consulting and Administrative Services to provide support services necessary to meet HUD's statutory and regulatory requirements and other HUD related issues at a total cost of Ninety Thousand Dollars ($90,000.00).

**Section 2.** That the funds for this expenditure are available in the Grants Division budget in the following accounts:

| Account No. | Account Description | Amount |
|---|---|---|
| 1675-510-000-4262 | Other Professional Services | $15,000 |
| 1674-510-000-4262 | Other Professional Services | $10,000 |
| 2805-510-000-4262 | Other Professional Services | $65,000 |

**Section 3.** That a purchase order is authorized to be issued in the amount of Forty Five Thousand Dollars ($45,000.00) for services to be rendered during Fiscal Year 2014-2015.

**Section 4.** That funding for the remaining fees for services to be rendered in Fiscal Year 2015-2016 shall be allocated in future City budgets.

**Section 5.** That a certified copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney and City Controller.

**Section 6.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**PROFESSIONAL SERVICES AGREEMENT**
**BETWEEN**
**CITY OF COMPTON**
**AND**
**B-ADAIR CONSULTING & ADMINISTRATIVE SERVICES**

This **AGREEMENT** is entered by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and **B-ADAIR CONSULTING & ADMINISTRATIVE SERVICES** (hereinafter referred to as **"CONSULTANT"**), located at 12156 Cunningham Lane, Garden Grove, California 92841

**RECITALS:**

**WHEREAS,** the City has received funding from the Unites States Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Neighborhood Stabilization Program and the Emergency Solution Grant (ESG) Programs; and

**WHEREAS,** the City has determined that there is a need to employ the services of an experienced consultant to provide expert advice and assistance with program implementation services to ensure compliance with federal, state and local regulations; and

**WHEREAS,** Consultant (B-Adair Consulting and Administrative Services) represents that it is specifically trained, experienced, competent, and has the resources to provide such services which will be required by this Agreement; and

**WHEREAS,** by Resolution No. _____, adopted on the __ day of _____ 2015, the City Council authorized the City Manager to enter into an agreement with the Consultant to provide the necessary services; and

**WHEREAS,** Consultant is willing to render such professional services subject to the terms and conditions set forth in this Agreement.

**AGREEMENT:**

**NOW, THEREFORE,** Consultant and City, for the consideration, terms, and conditions herein described, mutually agree as follows:

**1.** **Services to be rendered by Consultant.** It is the mutual understanding of the parties that the Consultant shall perform and be responsible for providing the following services:

- Develop a monitoring plan and monitor all NSP projects/programs for appropriate records maintenance, reporting, and compliance with applicable program requirements.
- Create and maintain files HOME rehab and NSP funded projects/activities and programs.

- During HUD monitoring, assist the City in gathering and providing requested information to support compliance with HUD requirements.
- Provide research and analysis as requested by City.
- Attend public meetings, as needed.
- Provide any other administrative services as required to properly administer the City's HOME Rehab and NSP programs.
- Provide quarterly status reports on the status of work projects/activities and programs assigned, unless otherwise instructed by the City.
- Assist in Program Implementation of the Neighborhood Stabilization Program
- Assist in Program Implementation of HOME- CHDO Program as well HOME- Fix It and Deferred Equity Loan Programs

as further detailed in the Consultant's **"Proposal to Provide Neighborhood Stabilization (NSP) and HOME Grant Administration Services"** (dated November 13, 2014), which is incorporated herein.

Consultant acknowledges that in entering into this Agreement the City is relying on Consultant's special skills and experience to do and perform the services in accordance with best standards of professional practice. While performing the services, Consultant agrees to perform all the said work and to the extent not furnished by the City, furnish all the necessary materials at its own cost and expense necessary to complete said services in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances and to the reasonable satisfaction of the City**.**

Consultant services hereunder shall be performed in good, workmanlike and professional manner. Consultant shall be responsible for correcting and completing all errors and omissions related to the services provided by the Consultant for this Agreement at no additional cost to the City**.** "Errors" and "Omissions" for purposes of this paragraph are defined to mean a failure by the Consultant to meet the standards of its profession as set forth in the preceding paragraph. The acceptance of the services by City does not release Consultant from these obligations.

Consultant will be responsible for employing or engaging all persons necessary to perform the services. All of Consultant's staff will be qualified by training and experience to perform their assigned tasks. Consultant will give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and will keep the services under its control. On demand of City, if any employee or subcontractor of Consultant fails or refuses to carry out the provisions of this Agreement or appears to be incompetent or to act in a disorderly or improper manner, he or she will be discharged immediately from the services.

Brandy Adair, Owner of Consultant, shall be primarily responsible for representing Consultant in performance of this Agreement.

**2.** **Term of Contract.** Consultant agrees that the services to be provided, performed and completed shall be for Fiscal Year 2014-2015 and Fiscal Year 2015-2016, completed over a period of twenty-two (22) months, commencing September 1, 2014 through June 30, 2016, or the authorized funding is exhausted, unless this Agreement is terminated as provided herein.

Consultant acknowledges the importance to City of City's project schedule and agrees to put forth its best professional efforts to perform the services in a manner consistent with that schedule. City understands, however, that Consultant's performance must be governed by sound practices. Consultant will work such overtime or engage such personnel and equipment as necessary to maintain the schedule, without additional compensation.

**3. Compensation.** The method of payment for the services will be based on a time and material basis, based on the rate schedule reflected in Consultant's as specified within Consultant's **"Proposal,"** which is incorporated herein. It is understood and agreed between the parties that the maximum compensation payable for the performance of all services to be provided by the Consultant pursuant to the terms of this Agreement shall be limited to a not-to-exceed amount of **Ninety Thousand Dollars ($90,000.00),** based on total payment of Forty Five Thousand Dollars ($45,000) for services rendered in Fiscal Year 2014-2015 and total payment of Forty Five Thousand Dollars ($45,000) for services rendered in Fiscal Year 2015-2016**.**

The total price paid the Consultant includes compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the Consultant, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total compensation will be negotiated between the Consultant and the City. Adjustment in the total compensation will not be effective until authorized and approved in writing by the City**.**

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the Consultant. If Consultant fails to submit the required deliverable items according to schedule or as required by the Agreement, except for those amounts that are due and not reasonably in dispute, the City shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

Consultant shall be reimbursed within thirty (30) days, or as promptly as fiscal procedures may permit, upon receipt by the City of itemized invoices for services completed. Invoices shall be submitted no later than 45 calendar days after the performance of work for which the Consultant is billing. Invoices shall detail the work performed on each task as applicable. Invoices shall be delivered or mailed to the **Grants Manager** at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

In the event of termination, the Consultant shall be entitled to compensation for the undisputed reasonable value of services performed to the effective date of termination, including any noncancellable obligations incurred prior to termination; provided, however, that the City may condition payment of such compensation upon the Consultant's delivery to the City of any and all City property, documents, reports, records, materials and work product associated with the performance of this Agreement.

**4. Ownership of Materials.** Consultant agrees that all of its customized reports, recommendations, plans, copyrightable materials and other Work Product created or assembled by it in the course of performing the services ("Work Product") hereunder are

works for hire for the benefit of the City and as such is the sole property of the City. To the extent that such materials and Work Product do not constitute work for hire, in consideration of the payments and other covenants of the City, as set forth or called for herein, Consultant hereby sells, transfers, conveys and assigns any and all of its rights therein to the City. In the event this Agreement is terminated, all Work Product produced by Consultant or its agents, employees and subcontractors pursuant to this Agreement will be delivered to City pursuant to the termination clause of this Agreement. Consultant will have the right to make one (1) copy of the Work Product for Consultant's records.

The Work Product may be used by City and its agents, employees, representatives, and assigns, in whole or in part, or in modified form, for all purposes City may deem advisable, without further employment of or payment of any compensation to Consultant; provided, however, that if this Agreement is terminated for any reason prior to completion of the Project and if under such circumstances City uses, or engages the services of and directs another consultant to use, the Work Product, City agrees to hold Consultant harmless from any and all liability, costs, and expenses relative to claims arising out of matters and/or events which occur subsequent to the termination of this Agreement as a result of causes other than the fault or negligence of Consultant, or anyone for whose acts it is responsible, in preparation of the Work Product. Consultant will not be responsible for deficiencies solely attributable to modifications of the Work Product performed by others, or that arise from use of the Documents in connection with a project or site other than that shown in the Work Product.

**5. Independent Contractor Status.** Consultant, its officers, employees, subconsultants, subcontractors, agents and volunteers (collectively hereinafter the "Consultant"), will perform the services in Consultant's own way and pursuant to this Agreement as an independent contractor and in pursuit of Consultant's independent calling, and not as an employee of City. The persons used by Consultant to provide the services under this Agreement will not be considered employees of City for any purposes. Neither the City nor any of its officers, employees, agents or volunteers shall have any control over the conduct of the Consultant, except as expressly set forth in this Agreement. Consultant expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that Consultant shall not at any time or in any manner, represent that Consultant is in any manner officers, employees, agents or volunteers of the City. Consultant shall obtain no rights to retirement, health care or any other benefit that accrue to City officials, officers, or employees. Consultant expressly waives any claim to such rights.

The payment(s) made to Consultant pursuant to the Agreement will be the full and complete compensation to which Consultant is entitled. City will not make any federal or state tax withholdings on behalf of Consultant or its agents, employees or subcontractors. City will not pay any workers' compensation insurance, retirement contributions or unemployment contributions on behalf of Consultant or its employees or subcontractors. Consultant agrees to indemnify and pay City within thirty (30) days for any tax, retirement contribution, social security, overtime payment, unemployment payment or workers' compensation payment which City may be required to make on behalf of Consultant or any agent, employee, or contractor of Consultant for work done under this Agreement. At the City's election, City may deduct the amounts paid pursuant to this Section, from any balance owing to Consultant.

**6. Successors, Assignment and Delegation.** City and the Consultant each binds themselves, their partners, successors, assigns and legal representatives to the other hereto and to partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in this Agreement.

The expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign or transfer any interest in this Agreement or the performance of any of Consultant's obligations under this Agreement without the prior written consent of the City. Any attempted assignment or transfer of any of Consultant's rights, duties or obligations arising under this Agreement shall be null and void.

**7. Nondiscriminatory Employment Practices.** During the performance of this Agreement, the Consultant agrees not to discriminate against any employee or applicant for employment because of race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees, applicants and subcontractors for employment, notices setting forth the provisions of this non-discrimination clause.

In the event of the Consultant's non-compliance with the non-discrimination clause of this Agreement, this Agreement may be immediately canceled, terminated or suspended in whole or in part.

**8. Subcontracting.** Consultant's services are unique and personal. Except as may be specified in Consultant's Proposal and agreed to by the City, Consultant will not subcontract any portion of the services without prior written approval of the City. If Consultant subcontracts any of the services, Consultant will be fully responsible to City for the acts, errors and omissions of Consultant's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Consultant and City. Consultant will be responsible for payment of subcontractors. Consultant will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Consultant's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

**9. Other Consultants.** The City reserves the right to employ other consultants in connection with the services.

**10. Indemnification.** Consultant shall indemnify and save harmless the City, its officials, officers, employees, agents and designated volunteers (collectively hereinafter

the "City"), against any and all damages to property or injuries to or death of any person or persons, including property and employees or agents of the City and shall indemnify and save the City from any and all liability and expense including reimbursement of reasonable defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever to the extent caused by the negligent, reckless or willful misconduct for the Consultant, its officers, employees, subconsultants, subcontractors or agents in the performance of the duties undertaken by Consultant pursuant to this Agreement.

This indemnification and hold harmless obligation does not extend to claims arising out of the negligence or willful misconduct of the City, its officials, officers, employees, agents and volunteers.

**11. Insurance.** Without limiting the Consultant's indemnification of the City, Consultant shall obtain and maintain, at its cost and expense, for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the services by Consultant or Consultant's agents, representatives, employees or subcontractors. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. Such evidence shall specifically identify this Agreement and shall contain express conditions that the City is to be given written notice at least thirty (30) days in advance of any termination or implementation of a reduction of limits or material change of insurance coverage as specified herein. Consultant shall be responsible for providing any advance notification to the City which would otherwise not be provided by the policies insurance carrier(s). ***Failure on the part of the Consultant to procure or maintain insurance shall constitute a material breach upon which the City may immediately terminate this Agreement.*** All insurance required hereunder shall be primary with respect to any insurance maintained by the City**.**

Coverages and Limits. Consultant will maintain the types of coverages and minimum limits indicated below, unless the Risk Manager or City Manager, in consultation with the City Attorney approves a lower amount. These minimum amounts of coverage will not constitute any limitations or cap on Consultant's indemnification obligations under this Agreement. City, its officers, agents, volunteers and employees make no representation that the limits of the insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. The coverage will contain no special limitations on the scope of its protection to the below-indicated insured's except for Workers Compensation and errors and omissions insurance. Consultant will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage, as Consultant deems adequate, at Consultant's sole expense.

11.1 Commercial General Liability Insurance. $1,000,000 combined single-limit per occurrence for bodily injury, personal injury and property damage. If the submitted policies contain aggregate limits, general aggregate limits will apply separately to the work under this Agreement or the general aggregate will be twice the required per occurrence limit.

11.2 Automobile Liability. $1,000,000 combined single-limit per accident for bodily injury and property damage.

11.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code and Employer's Liability limits of $1,000,000 per accident for bodily injury. Workers' Compensation and Employer's Liability insurance will not be required if Consultant has no employees and provides, to City's satisfaction, a declaration stating this.

11.4 Professional Liability. Errors and omissions liability appropriate to Consultant's profession with limits of not less than $1,000,000 per claim. The coverage shall also provide an extended two (2) year reporting period commencing upon termination or cancellation of this Agreement.

Endorsements. For Commercial General Liability Insurance and Automobile Liability Insurance, Consultant will ensure that the policies are endorsed to name the City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers as **"additional insured's"** with respect to liability arising out of the activities of the Consultant. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City. ***Prior to City's execution of this Agreement, Consultant will furnish certificates of insurance and endorsements to City.***

Waiver of Subrogation. The policies shall contain a waiver of subrogation for the benefit of City.

**12. Permits and Licenses.** Consultant, at its own expense, during the term of this Agreement, shall obtain and maintain all appropriate business and professional permits, licenses and certificates that may be required in connection with the performance of services by the Consultant. Upon execution of this Agreement, the Consultant shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

**13. Maintenance of Records.** Consultant will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Consultant will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Consultant will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years, or longer if required by law, from the date of final payment under this Agreement.

**14. Warranties.** Consultant represents and warrants (i) that Consultant has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with Consultant's undertaking this relationship with City, (ii) that the performance of the services called for by this Agreement do not and will not violate any applicable law, rule or regulation or any proprietary or other right of any third party, (iii) that Consultant will not use in the performance of his responsibilities under this Agreement any confidential information or trade secrets of any other person or entity and (iv) that Consultant has not knowingly entered into or will enter into any agreement (whether oral or written) in conflict with this Agreement.

**15. General Compliance with Laws.** Consultant will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of the services by Consultant. Consultant will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of the services with all applicable laws, ordinances and regulations. In the event the Consultant encounters any conflict between such laws and ordinances, Consultant shall notify the City in writing and the parties agree to work cooperatively to resolve the conflict.

**16. Disadvantaged Business Enterprise (DBE) Participation.** DBE and other small businesses (SB), as defined in Title 49 CFR, Part 26, are encouraged to participate in the performance of agreements financed in whole or in part with federal funds. The Consultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement.

**17. Termination.** In the event of the Consultant's failure to prosecute, deliver, or perform the services, after giving written notice of default and two (2) days to correct the same, then, in addition to any other remedies, City may terminate this Agreement for nonperformance by notifying Consultant in writing. Consultant has five (5) business days to deliver any documents owned by City and all work in progress to City address contained in this Agreement. City will make a determination of fact based upon the Work Product delivered to City and of the percentage of work that Consultant has performed which is usable and of worth to City in having the Agreement completed. Based upon that finding City will determine the final payment of the Agreement. In the event City elects to terminate, City will have the right to immediate possession of all Work Product and work in progress prepared by Consultant, whether located at the project site, at Consultant's place of business, or at the offices of a subconsultant.

The City's obligation is payable only from funds appropriated for the purpose of this Agreement. All funds for payments after the end of the current fiscal year are subject to the City's legislative appropriation for this purpose. In the event this Agreement extends into succeeding fiscal year periods and the City Council does not allocate sufficient funds for the next succeeding fiscal year payments, this Agreement shall terminate immediately upon written notice from the City.

Either Party, upon tendering ten (10) calendar days written notice to the other Party, may terminate this Agreement for convenience. In this event and upon request of City, Consultant will assemble the Work Product without charge and put it in order for proper filing and closing and deliver it to City. Consultant will be paid for work performed to the termination date; however, the total will not exceed the lump sum fee payable under this Agreement. City will make the final determination as to the portions of tasks completed and the compensation to be made.

**18. Force Majeure.** In the event that performance by either party is rendered impossible (permanently or temporarily) due to acts of war, acts of terrorism, fires, floods, epidemics, quarantine restrictions, or other natural occurrences, strikes, work slowdowns, lockouts (other than lockout by Consultant), or other similar acts to those described above or other causes beyond the reasonable control of such party, and without fault or negligence, said event shall excuse performance by such party, or in the case of temporary impossibility, shall excuse performance only for a period commensurate with the period of impossibility. Notwithstanding the foregoing, City shall

have the right to terminate this Agreement upon any event that renders performance impossible. In such case, City shall be responsible for payment of compensation for the reasonable value of services rendered to the point at which this Agreement is terminated, but in no event to exceed the total lump sum fee payable under this Agreement.

**19. Covenants Against Contingent Fees.** Consultant warrants that Consultant has not employed or retained any company or person, other than a bona fide employee working for Consultant, to solicit or secure this Agreement, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, City will have the right to terminate this Agreement for nonperformance, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of the fee, commission, percentage, brokerage fees, gift, or contingent fee.

**20. Claims And Lawsuits.** By signing this Agreement, Consultant agrees that any Agreement claim submitted to City must be asserted as part of the Agreement process as set forth in this Agreement and not in anticipation of litigation or in conjunction with litigation. Consultant acknowledges that if a false claim is submitted to City by Consultant, it may be considered fraud and Consultant may be subject to criminal prosecution. Consultant acknowledges that California Government Code sections 12650 *et seq.*, the False Claims Act, applies to this Agreement and, provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of information. If City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorney's fees. Consultant acknowledges that the filing of a false claim may subject Consultant to an administrative debarment proceeding as the result of which Consultant may be prevented to act as a Consultant on any public work or improvement for a period of up to five (5) years. Consultant acknowledges debarment by another jurisdiction is grounds for City to terminate this Agreement.

**21. Jurisdiction, Venue and Governing Law.** Any action at law or in equity brought by either of the Parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the Parties waive all provisions of law providing for a change of venue in these proceedings to any other county. This agreement will be governed by the laws of the State of California.

**22. Testimony.** Consultant will testify at City's request if litigation is brought against City in connection with Consultant's services under this agreement. Unless the action is brought by Consultant, or is based upon Consultant's actual or alleged negligence or other wrongdoing, City, upon prior written agreement with Consultant will compensate Consultant for time spent in preparation for testimony, testimony, and travel at Consultant's standard hourly rates at the time of actual testimony.

**23. Waivers.** The waiver by either Party of any breach or violation of any term, covenant, or condition of this Agreement or of any applicable law will not be deemed to be a waiver of such term, covenant, condition or law or of any subsequent breach or

violation of same or of any other term, covenant, condition or law. The acceptance by either Party of any fee or other payment which may become due under this Agreement will not be deemed to be a waiver of any preceding breach or violation by the other Party of any term, covenant, or condition of this Agreement or any applicable law.

**24. Authority.** The individuals executing this Agreement and the instruments referenced in it on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Agreement.

**25. Severability.** If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

**26. Amendments.** This Agreement may be modified or amended only be written document executed by both Consultant and City's City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

**27. Confidentiality.** All documents, reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of the Services pursuant to the Agreement are confidential until released by the City to the public, and the Consultant will not make any of these documents or information available to any individual or organization not employed by the Consultant or the City without the written consent of the City before any such release.

**28. Entire Agreement.** This Agreement, together with any other written document referred to or contemplated by it embody the entire Agreement and understanding between the parties relating to the subject matter of it. The City Manager is authorized, in consultation with the City Attorney, to agree to non-material amendments to this Agreement. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties.

**29. Notices.** Any notices required or permitted under this Agreement shall be effective when delivered in person; and effective one (1) business day after delivery by facsimile transmission; and effective five (5) days after mailing by U.S. Mail, postage prepaid and properly addressed as follows:

**To Consultant:**

**B-ADAIR CONSULTING AND ADMINISTRATIVE SERVICES**
**12156 Cunningham Lane**
**Garden Grove, California 92841**
**Attn: Brandy Adair, Owner**
**(714) 895-3954**
**(714) 895-3954 – fax.**
**brandy.adair@sbcglobal.net**

**To City:** **CITY OF COMPTON**
**205 South Willowbrook Avenue**
**Compton, California 90220**
**Attn: Grants Manager**
**(310) 761-1406**
**(310) 761-1464 – fax.**

**With copy to:** **CITY OF COMPTON**
**205 South Willowbrook Avenue**
**Compton, California 90220**
**Attn: City Manager**

In the event of any change of address, the moving party is obligated to notify the other party of the change of address in writing. Each party may amend, supplement and update the notice list to add, delete or replace any listed individuals; however, the amendment must be in writing.

**30. Certifications.**

**Certifications of Consultant**

I, Brandy Adair, **HEREBY CERTIFY** that I am the Owner, and duly authorized representative of the **Consultant** firm of B-Adair Consulting and Administrative Services, and that, except as hereby expressly stated, neither I nor the above firm that I represent have:

(a) employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above Consultant) to solicit or secure this agreement; nor

(b) agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the agreement; nor

(c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above Consultant) any fee, contribution, donation, or consideration of any kind, for or in connection with, procuring or carrying out this agreement.

**Debarment and Suspension Certification**

The **Consultant**, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local ;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local within the past 3 years;

- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against him/her by a court of competent jurisdiction in any matter involving fraud or official misconduct in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract under a public transaction; violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property within the past 3 years; and
- are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in the preceding paragraph; and
- have not had one or more public transactions (Federal, State or local) terminated for cause or default within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

**[Supply exceptions on separate page]**

For any exception noted above, indicate below to whom it applies, initiating and dates of action.

**[Attach separate page]**

The above certifications are part of this Contract. Signing this Agreement on the signature portion thereof shall also constitute signature of the above Certifications.

_____ _____
**Brandy Adair, Owner** **(Date)**

**31. Miscellaneous.** No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision.

Should either party hereto, or any representative, successor or assign of either party hereto, resort to litigation to enforce the provisions of this Agreement, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to recover its or their reasonable attorney's fees and costs in such litigation from the party or parties against whom enforcement is sought.

**IN WITNESS WHEREOF, Consultant** has executed this Agreement, and the **City**, by its City Manager, who is authorized to do so, has executed this Agreement.

**B-ADAIR CONSULTING AND**
**ADMINISTRATIVE SERVICES/CONSULTANT**

**By** _____ **Dated:** _____
**Brandy Adair, Owner**

**CITY OF COMPTON**
**Recommended for Approval:**

**By _____ Dated: _____**
**Renea Ferrell, Grants Manager**

**Approved by:**

**Dated: _____ By_____**
**Johnny Ford, City Manager**

**Approved as to form:**

**By _____ Dated: _____**
**Craig J. Cornwell, City Attorney**

**ATTEST:**

**Dated: _____ By _____**
**Alita Godwin, City Clerk**

**4/15/2015 6:31:23 PMStephen Ajobiewe4/9/2015 7:30:52 PMKelly Montgomery4/9/2015 7:27:23 PMKelly Montgomery4/2/2015 10:52:05 AMKelly Montgomery4/2/2015 10:32:02 AMKelly Montgomery4/2/2015 9:28:31 AMKelly Montgomery**

## RESOLUTION SIGN-OFF FORM

**DEPARTMENT:** **City Management**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH B-ADAIR CONSULTING AND ADMINISTRATIVE SERVICES TO PROVIDE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT AND NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT - RELATED CONSULTING SERVICES**

***Johnny Ford*** — **3/27/2015 1:15:57 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

**REVIEW / APPROVAL**

***Ruth Rugley*** — **4/20/2015 10:34:02 PM**
CITY ATTORNEY — DATE

***Stephen Ajobiewe*** — **4/15/2015 6:31:23 PM**
CITY CONTROLLER — DATE

***Kelly Montgomery*** — **4/2/2015 9:28:31 AM**
CITY MANAGER — DATE

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

April 28, 2015

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: RENEA FERRELL, GRANTS MANAGER
CITY MANAGER'S OFFICE

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AN AMENDMENT TO THE CITY OF COMPTON'S FISCAL YEAR 2014-2015 HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT BUDGET ($1,245,539.90)**

## SUMMARY

Staff is hereby requesting the City Council approve an amendment to the City of Compton's FY 2014-15 HOME Investment Partnerships Program (HOME) Grant budget to move unexpended funds in the amount of $1,245,539.90 from prior years to Fiscal Year 2014-2015.

## BACKGROUND

The City of Compton receives approximately $450,000 of HOME grant funds annually from the U.S. Department of Housing and Urban Development (HUD). As of July 1, 2014, the HOME program has transferred from the Successor Agency to the Grants Division.

The City Council adopted the FY 2014-15 annual budget on June 30, 2014 approving the use of HOME funds, however prior year funds were not incorporated. The City Manager's Office is therefore proposing a budget amendment to its FY 2014-15 Annual HOME Investment Partnerships Program (HOME) Grant budget to incorporate available program income and prior years HOME funding.

## ALTERNATIVE

There are no alternatives available for this budget amendment request.

## FISCAL IMPACT

There will be no impact to the City's General Fund as these are grant funds from the US Department of Housing and Urban Development (HUD) and program income generated from the various activities funded by the grant.

The FY 2014-2015 budget will be amended as follows:

a. Move unexpended funds from prior years to current year by increasing expenditures and revenues.

Increase Revenue:

| Account No. | Account Description | Amount |
|---|---|---|
| 28050000003583 | HUD Revenue (HOME) | $1,245,539.90 |
| | **Total:** | **$1,245,539.90** |

Increase Expenditure:

| Account No. | Account Description | Amount |
|---|---|---|
| 28055100004262 | Other Professional Services | $ 12,117.00 |
| 28055100004289 | Contribution to Other Agencies | $ 650,000.00 |
| 28055100004291 | Loan Programs | $ 583,422.90 |
| | **Total:** | **$1,245,539.90** |

**RECOMMENDATION**

It is recommended that the City Council approve the amendment to the City of Compton's FY 2014-15 HOME Investment Partnership (HOME) Grant budget.

**RENEA FERRELL, GRANTS MANAGER**
**CITY MANAGER'S OFFICE**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AN AMENDMENT TO THE CITY OF COMPTON'S FISCAL YEAR 2014-2015 HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT BUDGET ($1,245,539.90)**

**WHEREAS,** the City Manager's Office of the City of Compton receives HOME Investment Partnerships Program (HOME) funding from the U.S. Department of Housing and Urban Development on an annual basis; and

**WHEREAS,** the City Council adopted the FY 2014-215 annual budget on June 30, 2014 approving the use HOME funds, however prior years funds were not incorporated; and

**WHEREAS,** the City has $1,245,539.90 in prior years HOME funds; and

**WHEREAS,** the City Manager's Office has requested a budget amendment to its FY 2014-2015 annual budget to amend the current budget for the HOME Investment Partnerships Program (HOME) and move unexpended funds in the amount of $1,245,539.90 from prior years to Fiscal Year 2014-2015.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1**. That the 2014-2015 Fiscal Year Budget shall be amended for the HOME Program as follows:

a. Move unexpended funds from prior years to current year by increasing expenditures and revenues.

Increase Revenue:

| **Account No.** | **Account Description** | **Amount** |
|---|---|---|
| 28050000003583 | HUD Revenue (HOME) | $1,245,539.90 |
| | **Total:** | **$1,245,539.90** |

Increase Expenditure:

| **Account No.** | **Account Description** | **Amount** |
|---|---|---|
| 28055100004262 | Other Professional Services | $ 12,117.00 |
| 28055100004289 | Contribution to Other Agencies | $ 650,000.00 |
| 28055100004291 | Loan Programs | $ 583,422.90 |
| | **Total:** | **$1,245,539.90** |

**Section 2**. That a certified copy of this resolution shall be filed in the offices of the City Manager, Grants Division, City Controller, and City Clerk.

**Section 3**. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this ____ day of _____, 2015.

_____

**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

April 28, 2015

TO: MAYOR AND CITY COUNCIL

FROM: GLEN W.C. KAU, P.E.,
DIRECTOR OF PUBLIC WORKS/MUNICIPAL UTILITIES

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL STREET PAVEMENT ENGINEERING DESIGN SERVICES FOR THE 2014 STREET RESURFACING PROJECT AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $20,000**

## SUMMARY

This resolution authorizes the City Manager to enter into a second amendment to the professional services agreement with JMDiaz, Inc. to perform additional street pavement design services for the 2014 Street Resurfacing (#14-01) project and authorize the City Manager to issue a purchase order in an amount not to exceed $20,000.

## BACKGROUND

On November 12, 2013, pursuant to Resolution No. 23,865, JMDiaz was selected through a competitive process to provide engineering design services for the preparation of pavement improvements at a cost of $161,800. The funds for this work portion have been expended.

On December 9, 2014, pursuant to Resolution No. 24,060, City Council authorized an amendment to the professional service agreement with JMDiaz to provide additional street pavement design and construction support in an amount not to exceed $93,700. Funds for this portion of the project have also been expended.

On February 12, 2015, in a response to a City request, JMDiaz provided a proposal to provide additional engineering design services for three (3) additional streets as part of the 2014 Street Resurfacing project. The additional services requested by staff to be provided through project completion include for preparation of the construction plans for design of three (3) additional streets and the construction support to the project.

## STATEMENT OF THE ISSUE

In order to compensate JMDiaz for the additional design services necessary to complete the 2014 Street Resurfacing project, City Council approval is necessary.

## FISCAL IMPACT

Funds in the amount of $20,000 are available in the Public Works/Municipal 2014-2015 Fiscal Year's budget in Account No. 1520-720-0MR-4233.

## ALTERNATIVE

No alternative is being recommended. The City's requested additional design services and will continue to utilize the services of JMDiaz for construction support services through project completion.

## RECOMMENDATION

Staff recommends the City Council:

a) Accepts the letter proposal dated February 12, 2015 ($20,000) submitted by JMDiaz to provide additional pavement design and construction support services;
b) Authorize the City Manager to prepare a second amendment to the professional services agreement and issue a purchase order to JMDiaz, Inc. for $20,000.

**GLEN W.C. KAU, P.E.**
**DIRECTOR OF PUBLIC WORKS/MUNICIPAL UTILITIES**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO._____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL STREET PAVEMENT ENGINEERING DESIGN SERVICES FOR THE 2014 STREET RESURFACING PROJECT AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $20,000**

**WHEREAS,** the update to the City's Street Pavement Management Program has identified and documented the poor condition of streets throughout the City of Compton; and

**WHEREAS,** on November 12, 2013, pursuant to Resolution No. 23,865, JMDiaz was selected through a competitive proposal process to provide professional engineering design services for the design of street pavement improvements at a cost not to exceed $161,800. The funds for this portion have been exhausted; and

**WHEREAS,** on December 9, 2014, pursuant to Resolution No. 24,060, City Council authorized an amendment to the professional service agreement with JMDiaz to provide additional street pavement design and construction support in an amount not to exceed $93,700. Funds for this portion of the project have also been exhausted; and

**WHEREAS**, on February 12, 2015, JMDiaz provided a proposal to provide additional engineering design services for the 2014 Street Resurfacing project due to the cost of performing additional engineering services requested by staff as well as anticipated services through the remainder of the project which includes completion of construction activities, preparation of the final project walk through, and the design of three (3) additional streets to the project; and

**WHEREAS**, JMDiaz, Inc. will provide the City of Compton with an experienced, knowledgeable, innovative, and communicative team with the experience to deliver cost effective professional engineering services to address the needs of the City; and

**WHEREAS,** staff recommends the City Council accepts the proposal submitted by JMDiaz, Inc. to perform additional pavement design and construction support services on designated street segments within the City limits and authorize the City Manager to execute a second amendment to the professional services agreement and issue a purchase order in an amount not to exceed $20,000; and

**WHEREAS,** funds in the amount of $20,000 are available in the Public Works/Municipal Utilities Fiscal Year 2014-2015 budget, Account No. 1520-720-0MR-4233.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** That the City Manager is hereby authorized to enter into a second amendment to the professional service agreement with JMDiaz, Inc. and issue a purchase order in an amount not to exceed $20,000 to perform additional pavement design and construction support services on designated street segments within the City limits.

**SECTION 2.** That funds in the amount of $20,000 are available in the Public Works/ Municipal Utilities 2014-2015 fiscal year budget Account No. 1520-720-0MR-4233.

**SECTION 3.** That copies of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and the Public Works/Municipal Utilities Department.

**SECTION 4.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this ____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk, at a regular meeting thereof, held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSTAIN: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

# SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BETWEEN CITY OF COMPTON AND JMDIAZ, INC.

This **SECOND AMENDMENT** to the Professional Services Agreement is made by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and **JMDIAZ, INC.** (hereinafter referred to as **"CONSULTANT"**), located at 18645 East Gale Avenue, Suite 212, City of Industry, California 91748.

## RECITALS:

**WHEREAS,** the City maintains approximately 173 centerline miles of pavement within its boundaries and there is a need to provide pavement resurfacing design services located within the eligible Community Development Block Grant (CDBG) qualified areas; and

**WHEREAS,** the City determined that it would be prudent to engage the services of a professional and experienced engineering firm to act as the City's Engineer for this project and be responsible to provide design and engineering services for 27 street segments, including design support services during construction; and

**WHEREAS,** pursuant to Resolution No. 23,865, adopted on the 12th of November 2013, City Council authorized the City Manager to enter into a professional service agreement with JMDiaz to provide professional engineering design services for the design of street pavement improvements at a cost not to exceed $161,800; and

**WHEREAS,** pursuant to Resolution No. 24,060, adopted on the 9th of December 2014, the City Council authorized a First Amendment to the professional service agreement with JMDiaz to provide additional street pavement design and construction support services in an amount not to exceed $93,700; and

**WHEREAS,** it has further been determined that there is a need for the provision of additional design services in order to expedite the design and construction of improvements to poor pavement conditions throughout the City; and

**WHEREAS,** Consultant and City desire to amend the original Agreement and amendments thereto to have Consultant provide the expedited services and Consultant is willing to render such professional services subject to the terms and conditions set forth in the original Agreement, the First Amendment, and this Second Amendment.

**NOW, THEREFORE,** Consultant and City**,** for the consideration, terms and conditions herein described, do hereby mutually agree to amend the original Agreement as follows:

## AMENDMENTS:

**1.** The parties agree to amend **Section 1 – <u>Scope of Services to be Rendered by</u>**

**Consultant** of the original Agreement and amendments thereto to include that Consultant shall provide the following services (and continue the provision of pavement design services described in the original Agreement):

| | |
|---|---|
| **Additional Design/Construction support services (as of 1-24-15)** | **$8,500** |
| **Amount of Design/Construction support services through the remainder of Project** | **$6,500** |
| **Engineering Services for Bennett Street** | **$5,000** |
| **Total Cost** | **$20,000** |

Consultant's **"Request for Contract Amendment – Engineering Services Annual Resurfacing Project, City of Compton",** dated February 12, 2015, which is attached hereto and incorporated herein.

**2.** The parties agree to amend **Section 3 – Compensation** of the original Agreement and amendments thereto to revise the maximum amount of compensation payable to Consultant for services performed and completed pursuant to the Agreement by providing additional compensation in the not-to-exceed amount of **Twenty Thousand Dollars ($20,000.00).**

**3.** Except as provided for above, all other terms and conditions of the original Agreement and any amendments thereto between the City and the Consultant all remain in effect.

**IN WITNESS WHEREOF,** the authorized representatives of the parties have executed this **SECOND AMENDMENT** to the above-identified **PROFESSIONAL SERVICES AGREEMENT.**

**JMDIAZ, INC./CONSULTANT**

**Dated: _____** **By _____**
**Juan M. Diaz, MBA, P.E., President**

**CITY OF COMPTON**
**Recommended for Approval:**

**By _____** **Dated: _____**
**Glen W. C. Kau, P.E., Director**
**Public Works/Municipal Utilities Department**

**Approved by:**

**Dated: _____** **By _____**
**Johnny Ford, City Manager**

**Approved as to form:**

**By _____** **Dated: _____**
**Craig J. Cornwell, City Attorney**

**ATTEST:**

**Dated: _____** **By _____**
**Alita Godwin, City Clerk**

JMD
PLANNING | ENGINEERING | MANAGEMENT

'15 FEB 19 AM9:27

February 12, 2015

Mr. Glen W. C. Kau, P.E.
Director of Public Works/Municipal Utilities
City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

2015.1112.0001.00

**SUBJECT: Request for Contract Amendment - Engineering Services Annual Resurfacing Project, City of Compton**

Dear Mr. Kau:

JMDiaz, Inc. is requesting the amendment of its current contract for the Engineering Support Services for the Annual Street Resurfacing Project to increase the contract amount by $15,000. This amount will cover the cost overrun of $8,500 for having performed additional engineering services requested by City staff as well as anticipated services through the remainder of the project which includes completion of construction activities, preparation of a walk through list (i.e. Punch List) and obtaining approval of project completion by City Council.

## Background

In 2014, the City awarded JMDiaz, Inc. a design contract for the Annual Streets Resurfacing Project in the amount of $80,000. The project consisted of designing 78 street segments of varying lengths which included replacement of curb and gutter, sidewalk and access ramps, where needed. Near the completion of the design phase, the City added three (3) additional streets (i.e., Caldwell Street, Tichenor Street, and Dwight Avenue) to the list of streets to be designed raising the total number of streets to 81 with no additional compensation therefor.

Upon advertising the construction plans and hiring another firm to perform construction inspection services, JMDiaz, Inc.'s contract was further amended (i.e., increased) by $13,700 to provide engineering support services during construction.

Due to the complexity of working in residential neighborhoods, the number of streets to be resurfaced and improved, as well as the addition of three (3) streets to the design list and the City's direction to have JMDiaz, Inc. observe the quality of the contractor's workmanship, revisiting streets for cataloging (i.e., what has been done and what has to be done) and attending additional field meetings, which had not been initially foreseen, JMDiaz, Inc.'s costs exceeded the current contract amount. Consequently, as of January 24, 2015, our total engineering effort for both design and construction support phases is approximately $8,500, more than the current contract amount of $93,700.

## Optional Services

Recently, during the construction period, the City expressed the desire to extend JMDiaz, Inc.'s design services for rehabilitation pavement on Bennett Street and other miscellaneous improvements. The Bennett Street pavement could be categorized or rated as "Poor Condition" with a Pavement Condition

18645 East Gale Avenue, Suite 212, City of Industry, CA 91748-1363
(626) 820-1137 Tel • (626) 820-1136 Fax
www.jmdiaz.com

Index (PCI) of approximately 15 from a maximum 100 (a PCI of 100 is generally a rating for newly paved roads). Currently, the estimated cost for the design of Bennett Street is $5,000.

Currently, our estimated cost to complete our services, including services requested by the City, is $15,000 as outlined in Table 1 – Additional Compensation Breakdown, shown below.

**Table 1 - Additional Compensation Breakdown**

| | | |
|---|---|---|
| 1 | Cost Overrun as of 1/24/2015 | $8,500 |
| 2 | Approximate Amount through the Remainder of Projects | $6,500 |
| | **Total Requested Amount** | **$15,000** |
| | Engineering Services for Bennett Street (Optional) | $5,000 |

We appreciate the opportunity to submit our proposal for your consideration on this important project and look forward to your favorable reply.

Should you have any questions or need more information, please contact our Project Manager, Kamran Saber at (626) 820-1137.

Sincerely,

JMDiaz, Inc.

Juan M. Diaz, MBA, PE
President/CEO

JMDiaz, Inc.

Kamran Saber, PE, QSD
Project Manager

KS/ms
M:\2015.1112.0001.00\p-020jmd.doc

cc: Mike Kashiwagi, Interwest Consulting Group
Project File

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Public Works-Engineering**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL STREET PAVEMENT ENGINEERING DESIGN SERVICES FOR THE 2014 STREET RESURFACING PROJECT AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN AN AMOUNT NOT TO EXCEED $20,000.**

| | |
|---|---|
| ***Glen Kau*** | **4/21/2015 9:36:14 AM** |
| DEPARTMENT MANAGER'S SIGNATURE | DATE |

**REVIEW / APPROVAL**

| | |
|---|---|
| ***Ruth Rugley*** | **4/22/2015 11:51:40 AM** |
| CITY ATTORNEY | DATE |
| ***Stephen Ajobiewe*** | **4/21/2015 7:30:51 PM** |
| CITY CONTROLLER | DATE |
| ***Johnny Ford*** | **4/21/2015 10:04:19 AM** |
| CITY MANAGER | DATE |

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

**April 28, 2015**

**TO:** **MAYOR AND CITY COUNCIL MEMBERS**

**FROM:** **GLEN W. C. KAU, P.E., DIRECTOR**
**DEPARTMENT OF PUBLIC WORKS & MUNICIPAL UTILITIES**

**SUBJECT:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR FISCAL YEAR 2014-2015 TO LEASE 2,000 ACRE-FEET OF WATER RIGHTS FROM THE CITY OF SOUTH GATE FOR $165 PER ACRE-FOOT AND AMENDING THE 2014-2015 FISCAL YEAR BUDGET ($265,000)**

## SUMMARY

This resolution is authorizing the City Manager to amend the 2014-2015 Fiscal Year Budget to transfer funds and to lease 2,000 acre-feet of water from the City of South Gate at the rate of $165.00 per acre-foot for a total amount of $265,000.00 (Two Hundred Sixty-five Thousand Dollars and Zero Cents).

## BACKGROUND

The Compton Water Utility Division delivers a total annual demand of approximately 8,000 acre-feet of water. This is provided through groundwater pumping rights of 5,780 acre-feet of water (75%) and purchasing approximately 2,220 acre-feet (25%) of imported water Metropolitan Water District of Southern California (MWD). The Water Utility Division produces groundwater from City water wells using its available water rights, augmented with additional leased-in groundwater rights from other entities, and combines this with imported water purchased from MWD to meet the total water demand.

Imported water from MWD is nearly three times the cost of pumping groundwater. However, over the past few years the Water Utility Division has aggressively pursued and obtained sufficient additional groundwater pumping rights through leasing of water rights with other agencies. As a result, the Water Utility Division was able to minimize its purchase of imported water (less than 50 acre-feet) during fiscal year 2013-14 and saved nearly $1.2 million in water supply costs.

## STATEMENT OF THE ISSUE

Despite acquiring additional groundwater rights through lease agreements for fiscal year 2014-15 to ensure zero reliance on MWD for the current fiscal year, the City does not have sufficient rights to meet all its anticipated demands for next fiscal year 2015-16. As such, the Water Utility

Division anticipates purchasing 2,000 acre-feet of imported water from MWD for the fiscal year 2015-16 to meet its annual demands.

The City of South Gate conducted a formal Request for Bid process to all parties interested in securing up to 2,000 acre-feet of leased water rights for fiscal year 2014-15. The City submitted a sealed bid of $165 per acre-foot for the lease of 2,000 acre-feet of water rights. On April 9th the City was notified it had successfully won the bid for the lease of said 2,000 acre-feet of water rights for a total purchase price of $265,000 (Two Hundred Sixty-five Thousand Dollars and Zero Cents). Please note these leased water rights are needed to meet the water demands for fiscal year 2014-15, but are being leased and carried over to meet the water demands for fiscal year 2015-16. This will allow the City to utilize 100% groundwater for three consecutive years and reduce the overall water supply cost by an estimated $1,200,000 during each fiscal year 2014-15 and 2015-16. A copy of the proposed lease agreement for 2,000 acre-feet of water rights is attached.

The Water Utility Division is requesting permission from the City Council to enter into an agreement with the City of South Gate to lease 2,000 acre-feet of water rights at the total lease price of $265,000.00 (Two Hundred Sixty-five Thousand Dollars and Zero Cents).

## ALTERNATIVE

None

## FISCAL IMPACT

Funds are available in the 2014-15 fiscal year budget and need to be transferred as follows:

**From:**

| Account | Description | Amount |
|---|---|---|
| 5000-850-000-4252 | Water Purchase – MWD | $265,000.00 |

**To**:

| Account | Description | Amount |
|---|---|---|
| 5000-890-000-4262 | Other Professional Services | $265,000.00 |

After this deduction account 5000-850-000-4252 (Water Purchase – MWD) will have a balance of $193,748.00.

**RECOMMENDATION**

It is recommended that the Mayor and City Council authorize the City Manager to transfer funds between accounts and execute a purchase order to the City of South Gate in the amount of $265,000.00 (Two Hundred Sixty-five Thousand Dollars and Zero Cents), for the lease 2,000 acre-feet of water rights for fiscal year 2014-15.

**CHAD BLAIS, DEPUTY DIRECTOR**
**DEPARTMENT OF PUBLIC WORKS & MUNICIPAL UTILITIES**
**WATER UTILITY DIVISION**

**GLEN W. C. KAU, P.E., DIRECTOR**
**DEPARTMENT OF PUBLIC WORKS & MUNICIPAL UTILITIES**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**JF:GK:CB:tm**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR FISCAL YEAR 2014-2015 TO LEASE 2,000 ACRE-FEET OF WATER RIGHTS FROM THE CITY OF SOUTH GATE FOR $165 PER ACRE-FOOT AND AMENDING THE 2014-2015 FISCAL YEAR BUDGET. ($265,000)**

**WHEREAS**, the Compton Water Utility Division pumps 75% of its water from the City's water supply and purchases 25% of imported water from the Metropolitan Water District of Southern California; and

**WHEREAS**, the Water Utility Division was given the opportunity to lease 2,000 acre-feet of water rights at $165.00 per acre-foot from the City of South Gate; and

**WHEREAS,** the majority of said water rights will be used as carry-over to meet water demand in fiscal year 2015-16; and

**WHEREAS**, by leasing these water rights, the City will realize a saving of approximately $1,200,000.00 during fiscal year 2015-16 over the cost of purchasing the same quantity of water from the Metropolitan Water District; and

**WHEREAS**, the cost to lease 2,000 acre-feet of water rights is $265,000.00 (Two Hundred Sixty-five Thousand Dollars and Zero Cents); and

**WHEREAS,** funds are available in the Water Utility Division's 2014-15 Fiscal Year budget and need to be transferred between accounts as follows:

| **From:** | **Description** | **Amount** |
|---|---|---|
| 5000-850-000-4252 | Water Purchase – MWD | $265,000.00 |

| **To:** | **Description** | **Amount** |
|---|---|---|
| 5000-890-000-4262 | Other Professional Services | $265,000.00 |

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** That the City Manager is hereby authorized to enter into an agreement with the City of South Gate to lease 2,000 acre-feet of water right at a rate of $165.00 per acre-foot.

**SECTION 2.** That the City Manager is hereby authorized to issue a purchase order to the City of South Gate in the amount of $265,000.00 (Two Hundred Sixty-five Thousand Dollars and Zero Cents).

**SECTION 3.** That funds are available in the Water Utility Division's 2014-15 Fiscal Year budget and need to be transferred between accounts as follows:

| **From:** | **Description** | **Amount** |
|---|---|---|
| 5000-850-000-4252 | Water Purchase – MWD | $265,000.00 |

| **To:** | **Description** | **Amount** |
|---|---|---|
| 5000-890-000-4262 | Other Professional Services | $265,000.00 |

**SECTION 4.** That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and Water Utility Division.

**SECTION 5.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2015.

That said Resolution was adopted by the following vote to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**
**ABSTAIN: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**GROUNDWATER PUMPING RIGHTS LICENSE AGREEMENT**
**BETWEEN**
**CITY OF SOUTH GATE**
**AND**
**CITY OF COMPTON**

For a valuable consideration, the **CITY OF SOUTH GATE ("Licensor")** hereby grants to the **CITY OF COMPTON (Licensee)**; a License to extract 2,000 acre-feet for fiscal years 2014-2015 of Licensor's Allowed Pumping Allocation allocated to Licensor (or predecessors in interest) under and pursuant to Judgment dated October 11, 1965, and entered in Los Angeles Superior Court Case No. 786656 entitled *"Central and West Basin Water Replenishment District vs. Charles E. Adams, et al."* ("Judgment") during the period commencing July 1, 2014 and continuing to and including June 30, 2015. Said License is granted subject to the following conditions:

(1) Licensee shall pay to Licensor a fee of One Hundred Sixty-Five Dollars ($165.00) per acre-feet for each acre-feet of groundwater that Licensee extracts of Licensor's Allowed Pumping Allocation pursuant to this License Agreement.

(2) Licensee shall exercise said right and extract the same on behalf of Licensor during the period above specified and put the same to beneficial use and Licensee shall not by the exercise hereunder of said right acquire any right to extract water independent of the rights of Licensor.

(3) Licensee shall pay assessments levied on the pumping of said groundwater by the Water Replenishment District of Southern California.

(4) Licensee shall notify the District and the Watermaster that said pumping was done pursuant to this License and provide the Watermaster with a copy of this document.

(5) Licensee shall note, in any recording of water production for the period of agreement that said pumping was done pursuant to this License.

(6) Licensee's Allowed Pumping Allocation shall be increased by the amount hereby Licensed when computing carryover or allowable overextraction as provided by Part III, Subpart A and B in said Judgment.

(7) Licensor and Licensee represent and warrant that they have the right, power, legal capacity and authority to enter into and perform their respective obligations under this License Agreement.

(8) Licensor and Licensee shall each indemnify, defend and hold the other harmless from and against all claims, losses, liabilities, damages, costs, and expenses (including reasonable attorneys' and consultants' fees, costs and expenses) (collectively "Losses") arising from the

indemnifying party's breach of any term or condition of this Agreement or from the negligence or willful misconduct of the indemnifying party or its agents or employees.

The City of South Gate warrants that it has 2,000 acre-feet of Allowed Pumping Allocation and that it has not pumped and will not pump or permit License of any other person to pump any part of said 2,000 acre-feet during the period of July 1, 2014 through June 30, 2015.

**Dated:**
**CITY OF SOUTH GATE (Licensor)**

**By_____**
**Name:**
**Title: _____**

**Dated:**
**CITY OF COMPTON (Licensee)**

**By_____**
**Name: Johnny Ford**
**Title: City Manager**

**Dated:**

**By_____**
**Name: Craig J. Cornwell**
**Title: City Attorney**

**Dated:**

**By_____**
**Name: Alita Godwin**
**Title: City Clerk**

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Water Department**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR FISCAL YEAR 2014-2015 TO LEASE 2,000 ACRE-FEET OF WATER RIGHTS FROM THE CITY OF SOUTH GATE FOR $165 PER ACRE-FOOT AND AMENDING THE 2014-2015 FISCAL YEAR BUDGET ($265,000)**

| | |
|---|---|
| ***Chad Blais*** | **4/13/2015 4:57:10 PM** |
| DEPARTMENT MANAGER'S SIGNATURE | DATE |

**REVIEW / APPROVAL**

| | |
|---|---|
| ***Ruth Rugley*** | **4/19/2015 5:00:02 PM** |
| CITY ATTORNEY | DATE |
| ***Stephen Ajobiewe*** | **4/16/2015 10:01:50 AM** |
| CITY CONTROLLER | DATE |
| ***Johnny Ford*** | **4/15/2015 10:16:14 AM** |
| CITY MANAGER | DATE |

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

**April 28, 2015**

**TO:** **HONORABLE MAYOR AND CITY COUNCIL MEMBERS**

**FROM:** **CITY MANAGER**

**SUBJECT:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2014/15 FISCAL YEAR PERSONNEL SUMMARY CONSISTENT WITH FUNDING ALLOCATIONS MADE AT THE SECOND QUARTER (MIDYEAR) BUDGET REVIEW (*NO FISCAL IMPACT*)**

## BACKGROUND AND SUMMARY

The Council is being asked to authorize a change in staffing allocation consistent with the funding allocations approved at the end of the second quarter budget review. As part of its budget action, the Council approved a recommendation to provide temporary staffing in the Human Resources Department and the Grants Division of the City Manager's Office.

The City Manager recommended and the Council approved funding of $47,000 for the Human Resources Department and $30,000 for the Grants Division. However, the Council resolution was not specific as to the staffing approvals. Thus, although the funds were provided to the departments, the authority to fund employees from the General Fund was not considered granted.

## STATEMENT OF THE ISSUE

There is no additional funding request and there is no impact to the General Fund. The Council has already voted to augment the budget of the Human Resources Department by $47,000 and the Grants Division by $30,000. Staff is recommending the Human Resources Department be allowed hire an Administrative Analyst I consistent with the budget allocation made at midyear. Approval of this recommendation would simply allow the department to fill the position the Council already approved to be funded with an allocation the Council also approved.

| | | |
|---|---|---|
| 1001-560-000-4101 | Salaries | $32,430 |
| 1001-560-000-4180 | FICA Contrib. | $470 |
| 1001-560-000-4190 | Workers' Comp. | $940 |
| 1001-560-000-4191 | Health Ins. | $6,674 |

| | | |
|---|---|---|
| 1001-560-000-4192 | Retirement | $2,867 |
| 1001-560-000-4193 | PERS Pickup | $2,162 |
| 1001-560-000-4194 | Life Ins. | $658 |
| 1001-560-000-4195 | Dental Ins. | $423 |
| 1001-560-000-4197 | Unempl. Ins. | $376 |
| ***Total*** | | $47,000 |

Similarly, staff is recommending the Grants Division of the City Manager's Office be allowed to hire and fund the following positions with General Fund dollars already approved for this use:

- Office Aide
- Program Development Specialist
- Grants Coordinator

These positions were intended to be temporarily funded from the General Fund and to be ultimately funded through grants. Therefore, staff is only requesting authorization to add the positions to the Personnel Summary and to apply the previously approved $30,000 to benefits distribution as shown in the attached resolution.

## ALTERNATIVES

Council can take no action or may choose to approve portions of this recommendation. However, the City Manager is recommending the staffing amendments outlined at midyear to ensure optimum service delivery. Again, these changes represent no fiscal impact to the General Fund.

## FISCAL IMPACT

Approval of this recommendation will have no impact on the City's General Fund.

## RECOMMENDATIONS

Staff recommends that the Mayor and City Council approve the attached Resolution, amending the approved staffing, consistent with the midyear budget action.

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2014/15 FISCAL YEAR PERSONNEL SUMMARY CONSISTENT WITH FUNDING ALLOCATIONS MADE AT THE SECOND QUARTER (MIDYEAR) BUDGET REVIEW (*NO FISCAL IMPACT*)**

**WHEREAS,** pursuant to Resolution No. 23,975, the City Council of the City of Compton adopted the Fiscal Year 2014-2015 budget on June 30, 2014 and;

**WHEREAS,** based upon the second quarter review the Fiscal Year 2014-2015 budget was amended and;

**WHEREAS,** the Council approved the addition of an employee for the Human Resources Department and;

**WHEREAS,** in the second quarter budget review the City Manager recommended and the Council approved the addition of $47,000 to the Human Resources Department's budget for the additional staffing and;

**WHEREAS,** in the second quarter budget review the City Manager recommended and the Council approved the addition of $30,000 to the City Manager Office budget to cover the additional staffing and;

**WHEREAS**, the City Manager's Office is requesting a re-allocation of the $30,000 to cover the Fringe Benefits costs for the three (3) additional staffing and;

**WHEREAS,** the resolution stating the Council's intent did not specify the addition of the positions of Office Aide, Program Development Specialist, and Grants Coordinator into the City Manager's Office budget and;

**WHEREAS,** the resolution stating the Council's intent did not specify the addition of the Administrative Analyst I position to the Human Resources Department budget and;

**WHEREAS,** it is necessary for the Council to take action to amend the staffing allocation for the Human Resources Department and;

**WHEREAS,** it is necessary for the Council to take action to amend the staffing allocation for the City Manager's Office and;

**WHEREAS,** this staffing allocation will have no negative impact on the City's General Fund:

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** That the City Manager is hereby authorized to make the following amendment to the Fiscal Year 2014-2015 adopted budget of the Human Resources Department:

***Revise the Personnel Summary as follows:***

Add:
• Administrative Analyst I at salary range 109E

**Reduce Expenditure**

| | | |
|---|---|---|
| 1001-560-000-4101 | Salaries | $14,570 |

**Increase Expenditure**

| | | |
|---|---|---|
| 1001-560-000-4180 | FICA Contrib. | $470 |
| 1001-560-000-4190 | Workers' Comp. | $940 |
| 1001-560-000-4191 | Health Ins. | $6,674 |
| 1001-560-000-4192 | Retirement | $2,867 |
| 1001-560-000-4193 | PERS Pickup | $2,162 |
| 1001-560-000-4194 | Life Ins. | $658 |
| 1001-560-000-4195 | Dental Ins. | $423 |
| 1001-560-000-4197 | Unempl. Insurance | $376 |
| Total | | $47,000 |

**SECTION 2.** That the City Manager is hereby authorized to make the following amendment to the Fiscal Year 2014-2015 adopted budget of the City Manager's Office to include the position Grant Coordinator at salary range 126E and Office Aide at salary range 38E:

***Revise the Personnel Summary as follows:***

Add:

- Office Aide at salary range 38E
- Grants Coordinator at salary range126E
- Program Development Specialist at salary range 126E

**SECTION 3.** That the City Manager is hereby authorized to reduce account number 1001-510-000-4101 in the amount of $30,000:

**SECTION 4.** That the City Manager is hereby authorized to increase the following accounts by the total amount of $30,000:

| | | |
|---|---|---|
| 1001-510-000-4180 | FICA Contrib. | $2,500 |
| 1001-510-000-4190 | Workers' Comp. | $650 |
| 1001-510-000-4191 | Health Ins. | $12,500 |
| 1001-510-000-4192 | Retirement | $9,550 |
| 1001-510-000-4193 | PERS Pickup | $2,600 |
| 1001-510-000-4194 | Life Ins. | $300 |
| 1001-510-000-4195 | Dental Ins. | $1,000 |
| 1001-510-000-4197 | Unempl. Ins. | $900 |
| Total | | $30,000 |

**SECTION 5.** That a certified copy of this resolution shall be filed in the Offices of the City Clerk, City Attorney, City Manager, Department of Human Resources, and City Controller.

**SECTION 6.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

**ADOPTED** this _____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2015.

That said resolution was adopted by the following vote:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**
**ABSTAINS: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

April 28, 2015

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: VAN WILSON, DIRECTOR
GENERAL SERVICES DEPARTMENT

**RE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXECUTE A SERVICE AGREEMENT AND ISSUE A PURCHASE ORDER TO VERACITY WIRELESS, INC. (DBA) FIELDLOGIX FOR GPS ANNUAL MONITORING FEES FOR FISCAL YEAR 2014-2015 ($39,901.65)**

## SUMMARY

City Council will consider adopting a resolution authorizing the City Manager to execute a service agreement with and issue a purchase order to Veracity Wireless, Inc. dba FieldLogix for Fiscal Year 2014-2015 (i.e. July 1, 2014 through June 30, 2015) GPS annual monitoring fees in the amount of $39,901.65.

## BACKGROUND

On June 30, 2008, the City entered into a contract with Veracity Wireless, Inc. for the purchase of GPS tracking equipment and monitoring services for the vast majority of the City's vehicle fleet. There are no additional fees for the GPS hardware; however, there are yearly monitoring fees for the GPS tracking service in the amount of $299.40 per year per vehicle.

The GPS system is used to monitor driver activities throughout the workday and helps in the monitoring of productivity, accountability and safety for the City's fleet. The system displays each vehicle's current location and duration at each location. It allows supervisors to determine if there are potential safety issues such as, vehicles idling at unauthorized locations for an extended period of time and alerts users when vehicles travel into restricted areas or leave the City limits.

## STATEMENT OF ISSUE

In order for the City to continue utilizing the GPS monitoring system for the currently monitored 125 City vehicles, there is a need to issue a purchase order for annual monitoring fees for Fiscal Year 2014-2015 in the amount of $37,425.00. Additionally, during Fiscal Year 2014-2015, eleven (11) additional vehicles were equipped with GPS devices at a cost of $192.50 for activations and a pro-rated annual monitoring fee of $2,284.15, thus the total amount due is $39,901.65.

## FINANCIAL IMPACT

Funds in the amount of $39,901.65 to pay monitoring fees for Fiscal Year 2014-2015 are available in Account No. 6000 600 000 4226 in the amount of $11,202.67 and in Account No. 6000 600 000 4269 in the amount of $25,698.98.

## ALTERNATIVE

Unless this resolution is adopted, monitoring services for the GPS systems on the City vehicles will be discontinued. The City will still be responsible to pay the monitoring fees incurred thus far in Fiscal Year 2014-2015.

## RECOMMENDATION

Staff recommends the adoption of the attached Resolution.

**VAN WILSON, DIRECTOR**
**GENERAL SERVICES DEPARTMENT**

**APPROVED FOR FORWARDING:**

**JOHNNY FORD**
**CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXECUTE A SERVICE AGREEMENT AND ISSUE A PURCHASE ORDER TO VERACITY WIRELESS, INC. (DBA) FIELDLOGIX FOR GPS ANNUAL MONITORING FEES FOR FISCAL YEAR 2014-2015 ($39,901.65)**

**WHEREAS,** on June 30, 2008, the City entered into a contract with Veracity Wireless, Inc. for the purchase of GPS tracking equipment and monitoring services for the vast majority of the City's vehicle fleet; and

**WHEREAS,** the GPS system is used to monitor driver activities throughout the workday and helps in the monitoring of productivity, accountability and safety for the City's fleet; and

**WHEREAS,** there are no additional fees for the GPS hardware; however, there are yearly monitoring fees for the GPS tracking service in the amount of $299.40 per year per vehicle; and

**WHEREAS,** in order for the City to continue utilizing the GPS monitoring system for the currently monitored 125 City vehicles, there is a need to issue a purchase order for annual monitoring fees for Fiscal Year 2014-2015 in the amount of $37,425.00. Additionally, during Fiscal Year 2014-2015, eleven (11) additional vehicles were equipped with GPS devices at a cost of $192.50 for activations and a pro-rated annual monitoring fee of $2,284.15, thus the total amount due is $39,901.65; and

**WHEREAS,** funds for this expenditure are available in the 2014-2015 Fiscal Year budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** That the City Manager is authorized to execute a service agreement with Veracity Wireless, Inc. dba FieldLogix for GPS monitoring during Fiscal Year 2014-2015 (July 1, 2014 through June 30, 2015).

**Section 2.** That a purchase order is authorized to issue to Veracity Wireless, Inc. dba FieldLogix in the total amount of Thirty Nine Thousand Nine Hundred One Dollars and Sixty-Five Cents ($39,901.65) for annual GPS monitoring services rendered in Fiscal Year 2014-2015, inclusive of the activation costs and pro-rated monitoring fees for the additional of eleven (11) City vehicles.

**Section 3.** That funds are available in Account No. 6000 600 000 4226 in the amount of $11,202.67 and Account No. 6000 600 000 4269 in the amount of $25,698.98.

**Section 4.** That a copy of this Resolution shall be filed in the offices of the City Manager, City Clerk, City Controller, City Attorney and the General Services Department.

**Section 5.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this ____ day of _____, 2015.

_____
**MAYOR OF THE CITY OF COMPTON**

**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) ss
CITY OF COMPTON )

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held this _____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSTAIN: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

# Product Order & Service Agreement

**#24.**

FIELD TECHNOLOGIES

**DATE:**

8305 Vickers St. Ste. 101, San Diego, CA 92111
Phone 888-803-0200 **Fax 858-863-4060**

| **Bill To:** | **Ship To:** |
|---|---|
| Name: | |
| Address: | |
| City, ST, Zip: | |
| Phone: | |
| Fax: | |

**Comments or Special Instructions:** Agreement for annual services

| ACCT. MGR. | P.O. NUMBER | SHIP VIA | TERMS |
|---|---|---|---|
| | | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| **Monthly Fees – Month Term** | | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT | |
|---|---|---|---|---|
| | | | | |
| | | **Total Monthly** | | |

| | |
|---|---|
| SUBTOTAL | |
| SALES TAX | |
| SHIPPING & HANDLING | |
| **TOTAL DUE** | |

| | | | |
|---|---|---|---|
| **Name on Card** | | **Credit Card Type** | |
| **Account Number** | | **Expiration Date** | |
| **Billing Address** | | | |

By signing below, I authorize the purchase of the above items and agree to the attached Terms and Conditions. I acknowledge that my company will be responsible for the payment of the above items and that I am authorized to financially commit my company to this purchase. This agreement is not binding upon Field Technologies until accepted. Payment terms are 50% down & 50% C.O.D if by check or 100% to credit card.

| Customer Signature | Printed Name | Title | Date |
|---|---|---|---|
| | | | |

| Field Technologies Signature | Printed Name | Title | Date |
|---|---|---|---|
| | | | |

| Office Use Only | | |
|---|---|---|
| | | |
| **Order Taken By** | **Date** | **Invoice #** |

#24.

## Terms & Conditions

THE TERMS AND CONDITIONS SET FORTH ON THIS FORM CONSTITUTE THE ENTIRE AGREEMENT (THE "AGREEMENT") BETWEEN VERACITY WIRELESS, INC. ("VERACITY WIRELESS, INC.) AND BUYER ("BUYER"). VERACITY WIRELESS, INC. WILL NOT BE BOUND BY ANY TERMS OF BUYER''S ORDER THAT ARE INCONSISTENT WITH THE TERMS HEREIN. ACCEPTANCE BY BUYER OF THESE TERMS MAY BE MADE BY: (1) WRITTEN ACCEPTANCE OF THESE TERMS, (2) PLACEMENT OF A PURCHASE ORDER WITH VERACITY WIRELESS, INC. THAT REFERS TO A VALID VERACITY WIRELESS, INC. QUOTATION OR (3) RECEIPT BY BUYER OF DELIVERY OF ANY VERACITY WIRELESS, INC. PRODUCTS OR ("SERVICES") DESCRIBED ON THE FACE OF THIS FORM OR OTHERWISE ("PRODUCTS") AND FAILURE BY BUYER TO RETURN THE PRODUCTS WITHIN ONE (1) DAY FOLLOWING SUCH DELIVERY.

1. General: The terms and conditions of sale contained herein apply to all quotations made and purchase orders accepted by Veracity Wireless, Inc. Acceptance of Buyer's order by Veracity Wireless, Inc. will be made only on the expressed understanding and condition that insofar as the terms and conditions in this Agreement conflict with any terms and conditions in Buyer's order, the terms and conditions of this Agreement shall govern. If a quotation or purchase order is accepted by Veracity Wireless, Inc., then the date of the Agreement shall be the Effective Date set forth on the face of this form. All information gathered from Buyer in connection with the use of the Products and the provided services will be governed by the Veracity Wireless, Inc. Privacy Policy, as may be modified from time to time, located at http://www.fieldtechnologies.com/privacy.php and which is incorporated herein by reference and made a part of this Agreement.

2. Prices, Taxes, Payment: Any written price quotation, either pursuant to this Agreement or any other form, may become void unless accepted by Buyer within thirty (30) days of the date thereof, unless sooner revoked or rejected by Veracity Wireless, Inc. All prices quoted, all orders accepted, and all billings rendered may be exclusive of all shipping, federal, state and local withholding, excise, sales, use and similar taxes, fees, or charges imposed by any governmental authority on this transaction. Buyer will reimburse Veracity Wireless, Inc. for any such tax, fee or charge, at the time of sale. Terms of payment for parts and Equipment are balance due upon product shipment. All provided services will be invoiced monthly in advance. If payment for services is not automatically billed on a credit card account, terms of payment for the monthly services is due upon receipt. By submitting payment in check form Buyer is authorizing us to initiate an ACH debit in the amount of the check from the account on which Buyer has written the check. If we initiate such a debit, funds may be withdrawn from the account on the same day Veracity Wireless, Inc. receives the check. Buyer's check will not be returned to Buyer, but Buyer will see a record of the transaction and the associated check number on Buyer's checking statement. If Buyer does not wish the check to be converted to an electronic debit, Buyer must use an alternate form of payment. In the event that payment is not received within a thirty (30) day period, any unpaid balance shall bear interest at the rate of 1 1/2 % per month, or the maximum amount allowed by law, if lower. The late charge shall be assessed for every month a balance remains unpaid and shall be prorated on a daily basis for each day the payment is overdue. Service billing will begin on the date on which Products have been installed in Buyer's assets or 90 days after product delivery, whichever occurs first. Veracity Wireless, Inc. may charge Buyer a fee of $50.00 USD for any check returned due to insufficient funds. Veracity Wireless, Inc. may perform credit verification on Buyer, as Veracity Wireless, Inc. deems necessary in its discretion. The amount of credit may be changed or withdrawn completely by Veracity Wireless, Inc. at anytime. On any order for which credit is not extended by Veracity Wireless, Inc., shipment or delivery shall require, at Veracity Wireless, Inc.' election, cash with order (in whole or part), or C.O.D. or sight draft attached to the bill of lading or other shipping documents, and all costs of collection shall be paid by Buyer. If any proceeding is brought by or against Buyer under bankruptcy or insolvency laws, Veracity Wireless, Inc. shall be entitled to cancel any order by Buyer then outstanding. Veracity Wireless, Inc. may suspend or terminate service to Buyer, without liability, if Buyer breaches any portion of this Agreement, including nonpayment of fees due to Veracity Wireless, Inc. If Buyer has outstanding service invoices greater than thirty (30) days past due, Veracity Wireless, Inc. reserves the right to suspend Buyer's access to the service and may charge the Buyer a restoration fee to re-enable Buyer's access. Service fees will continue to accrue during service suspension period and are due after access is re-enabled. If Buyer has outstanding service invoices greater than sixty (60) days past due, Veracity Wireless, Inc. reserves the right to terminate services permanently and issue an invoice to Buyer for the Breach Payment. If Buyer promptly cures any such breach, Veracity Wireless, Inc. may, at its sole option, reactivate service upon payment by Buyer of Veracity Wireless, Inc.' most current restoration fee then in effect. Buyer is responsible for paying any collections costs incurred by Veracity Wireless, Inc. in its efforts to collect past due payments.

3. Cancellation, Term and Expiration: In the event that Veracity Wireless, Inc. terminates this Agreement for breach by Buyer, the parties agree that the damage suffered by Veracity Wireless, Inc. from such breach will be difficult to ascertain. As a result, upon such termination Buyer agrees to pay Veracity Wireless, Inc., as liquidated damages and not a penalty, a fee equivalent to the monthly

service fees applicable to the remainder of the term of the Agreement (had the Agreement not been terminated earlier by Veracity Wireless, Inc. for Buyer's breach) at the then-current prices under this Agreement from the effective date of the termination (the "Breach Payment"). Buyer shall pay the Breach Payment to Veracity Wireless, Inc. net ten (10) days from date of final invoice. Buyer has the right to terminate this agreement, in writing, within the first thirty (30) days after product delivery if not satisfied with the service provided by Veracity Wireless, Inc. Upon receipt of such termination, (i) the Breach Payment shall not be invoiced; (ii) Buyer shall immediately remove all Products from Buyer's vehicles and return said Products to Veracity Wireless, Inc. within forty-five (45) days of Product delivery (all costs of removal and shipment shall be borne by Buyer and said Products shall be returned in "new" condition subject only to normal wear and tear); and (iii) upon receipt of the Products in accordance with Section 3 (ii) above, all sums paid by Buyer to Veracity Wireless, Inc. for GPS Locator Units, Activation fees, and additional in-vehicle equipment shall be refunded to Buyer within sixty (60) days. Products returned after forty-five (45) days of Product delivery are subject to a restocking fee. The restocking fee is calculated by multiplying the rate of one and one half percent (1.5%) times the total equipment purchase price times the number of days beyond the forty-five (45) day return period. Service fees for the period in which the Products were in use by Buyer are not refundable. Any return or "trial" agreement differing from the above stated policy must be in writing on the original Product Order and Service Agreement. The Commitment Term is displayed on page one (1) of the Product Order and Service Agreement. The Commitment Term commences individually for each GPS Locator Unit upon product installation or 90 days after product delivery, whichever occurs first. Upon the expiration of the initial Commitment Term, the Commitment Term will automatically renew for a one (1) year term, during which the monthly service fees will continue at the same rate as during the initial Commitment Term. Buyer, or Veracity Wireless, Inc., may elect to continue service on a month-to-month term after the initial Commitment Term if notice is given to Veracity Wireless, Inc., or the Buyer, in writing 60 days prior to the end of the initial Commitment Term. If Buyer, or Veracity Wireless, Inc., elects to continue service on a month-to-month basis, Veracity Wireless, Inc. has the right to increase the monthly service fees annually at a rate of 3.5% for any provided services. Buyer will receive 30 days notice of such price increases. Buyer may terminate service after the initial and successive Commitment Terms by submitting the termination request via fax or e-mail. Termination will take effect at the end of the billing cycle in which the termination request is received.

4. Installation: Veracity Wireless, Inc. or its assignees, agents and subcontractors will charge a nominal fee for a "Standard Installation" of the Products. The parties shall each make commercially reasonable efforts to schedule and complete "Standard Installation" of the products within fifteen (15) days of product delivery. Standard Installation includes installation of a purchased GPS Locator Unit in the kick panel, trunk (interior locations), over cab area in cowling, under the front seat or behind the dashboard. Standard Installation includes the installation of the GPS Locator Unit along with any associated antennas and power harnesses. Standard Installation hours are between 8:00 a.m. and 6:00 p.m., Monday through Friday, Buyer's local time. For any installation that is not a Standard Installation, Buyer may be charged an incremental fee. Multiple visits to the same location or to multiple locations may incur additional fees. With Buyer's approval, in connection with the installation and maintenance of the Products, Veracity Wireless, Inc. or its assignees, agents and contractors may modify or alter, including without limitation drilling holes or making any other required modifications to Buyer's Equipment or vehicles required for Equipment installation. Veracity Wireless, Inc. will not be responsible for, and makes no assurances regarding, the restoration of Buyer's assets or vehicles to their unmodified or unaltered condition if the Products are removed from Buyer's assets or vehicles. Veracity Wireless, Inc.' installation assignees, agents, and subcontractors are required to maintain sufficient business liability insurance. Buyer agrees to make claims for damages to vehicles or assets caused by installation and service work with the insurance provider of the installation service provider.

5. Software License: Veracity Wireless, Inc. and/or our 3rd party service providers hereby grants only to Buyer a non-transferable, non-exclusive right and license to use any software provided pursuant to this Agreement or contained in or embedded in any of the Products (collectively, the "Software"), solely in conjunction with such Products, in object code form only. Buyer may only transfer such Software together with, and as incorporated in, the Products with which it was originally delivered. Buyer receives no title or ownership rights to such Software. Except for the license granted in this Section, all right, title and interest in the Software shall remain the exclusive property of Veracity Wireless, Inc. and our licensors. This Agreement does not give Buyer any right to reproduce the Software or any related documentation, and Buyer agrees that it shall not decompile, disassemble, compile or reverse engineer the Software or otherwise attempt to gain access to the Software source code.

6. Title and Delivery: For orders consisting of fewer than 100 GPS Locator Units, Veracity Wireless, Inc. shall deliver the Products to a common carrier for shipment within twenty-one (21) business days of the Effective Date, unless otherwise agreed to in writing. For orders consisting of more than 100 GPS Locator Units, Veracity Wireless, Inc. shall deliver the Products to a common carrier for shipment within forty-five (45) business days of the Effective Date, unless otherwise agreed to in writing. Risk of loss shall pass to Buyer at the time the Products are delivered to the Buyer's designated delivery location by such common carrier. Veracity Wireless, Inc. shall not be liable for any delay in transportation of products. In the event of any default by Buyer, Veracity Wireless, Inc. may decline to

make further shipments without in any way affecting its rights under this Agreement. Veracity Wireless, Inc. will not be charged with any liability for delay or non-delivery of Products, when caused by any cause beyond the reasonable control of Veracity Wireless, Inc.

7. Acceptance: Buyer shall have thirty (30) days after Product delivery to inspect and to test each Product shipped by Veracity Wireless, Inc. to Buyer. During such thirty (30) day period, if Buyer determines that any such Product fails to meet the specifications set forth in Veracity Wireless, Inc.' documentation for the Veracity Wireless, Inc. Product, the Buyer may reject such Product by notifying Veracity Wireless, Inc. in writing of such rejection. Any Product not rejected by the Buyer within the thirty (30) day Acceptance Period under this Section shall be deemed accepted by the Buyer. If Buyer is financing Equipment, Buyer must notify the financing company of the acceptance of the product during the thirty (30) day Acceptance Period or notify Veracity Wireless, Inc. of the rejection. If the thirty (30) day Acceptance Period lapses and no rejection is received by Veracity Wireless, Inc. or no acceptance is received by financing company, Veracity Wireless, Inc. will issue an invoice to Buyer for total Equipment costs. The Veracity Wireless, Inc. Equipment invoice is due upon receipt.

8. Limited Warranty: We guarantee that commencing upon product delivery and during the period of your initial service agreement term, the Equipment will not have defects in material and workmanship and during the term: (a) Licensed Matter will be able to perform the data processing functions described in the applicable operating manuals and (b) Services will be provided in a workmanlike manner. We will either repair or replace any Equipment that is malfunctioning during the warranty term at our cost. This Warranty excludes coverage for damages to Equipment caused by vehicle-related electrical problems; physical tampering; water damage; lightening damage; theft or attempted theft; and damages caused by installation technicians not authorized by Veracity Wireless, Inc. This warranty is limited to GPS Locator Units and Veracity Wireless, Inc. does not warranty other Equipment provided to Buyer by Veracity Wireless, Inc. as such warranty is provided by the Original Equipment Manufacturer. Buyer can request documentation specifying the details of the Original Equipment Manufacturer warranty. All terms and rights of the Original Equipment Manufacturer warranty pass through to Buyer. Upon Buyer's request for installation and or repair services, Veracity Wireless, Inc. will issue a work order to an authorized technician to complete requested services. If Veracity Wireless, Inc. arranges the original Equipment installation, any fees for warranty covered repairs within the Limited Warranty term will be absorbed by Veracity Wireless, Inc. Veracity Wireless, Inc. will not reimburse Buyer for labor costs associated with removal and installation services to malfunctioning GPS Locator Units if Buyer (a) arranged for the original Equipment installation with a technician not authorized by Veracity Wireless, Inc., and (b) if any non-authorized technician caused damages to the GPS Locator Units after the original Equipment installation. To make claims under this warranty during the Term, you must promptly notify us after you learn of the facts supporting the claim. While you are utilizing our services, we will assist you in troubleshooting non-functional GPS Locator Units and will dispatch a technician if requested. You will be billed at our current published service rates for any technician service work that is not covered by our Limited Warranty. Veracity Wireless, Inc. shall not issue refunds or credits for monthly service fees incurred for non-functioning Equipment during any time period prior to: (i) Buyer's completion of Veracity Wireless, Inc.' specified troubleshooting steps and (ii) Buyer's request for Veracity Wireless, Inc.' diagnosis and repair services of said Equipment. Nothing herein shall be construed as providing or intending to provide Veracity Wireless, Inc.' warranty to any customer(s) of Buyer. VERACITY WIRELESS, INC. MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS SOLD HEREUNDER. VERACITY WIRELESS, INC. EXPRESSLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.

9. Limitation of Liability: VERACITY WIRELESS, INC. SHALL NOT BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE PRODUCTS OR SERVICES, NOR FOR ANY LOSS OF BUSINESS, LOSS OF USE OR OF DATA, INTERRUPTION OF BUSINESS, LOST PROFITS OR GOODWILL, OR OTHER INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR ON SEQUENTIAL DAMAGES OF ANY KIND ARISING OUT OF THIS AGREEMENT, EVEN IF VERACITY WIRELESS, INC. HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THIS EXCLUSION INCLUDES ANY LIABILITY THAT MAY ARISE OUT OF THIRD-PARTY CLAIMS AGAINST BUYER. VERACITY WIRELESS, INC.' TOTAL LIABILITY UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE PRICE PAID BY BUYER FOR SUCH PRODUCT.

10. Buyer acknowledgements: Buyer acknowledges that (i) the GPS Locator Units are designed to store data while outside of a cellular data coverage area, however there is the possibility that all data may not be stored and retrieved by Buyer when within coverage or calling connectivity is restored; (ii) at times, data collected by the Products are not provided instantaneously and delays in receipt of data are normal; (iii) Product antennae should have an unobstructed view of the sky; (iv) the Products may not operate in enclosed spaces, in buildings, between tall buildings, underground or in canyons; (v) although portions of the Products (including the on-line service) may be encrypted, Products (including the on-line service) are capable of being intercepted without knowledge of or permission from Veracity Wireless, Inc. or our 3rd party providers by others;

(vi) Veracity Wireless, Inc. shall arrange for cellular services required for Equipment to operate. Fees for services shall be included in Buyer's monthly charges from Veracity Wireless, Inc. However, Veracity Wireless, Inc. is not responsible for the terms, conditions or obligations arising from agreements between Buyer and any cellular network or airtime provider in connection with the Products or Services, if Buyer entered such an agreement independently of this agreement; (vii) If Buyer establishes a separate agreement with any cellular network or airtime provider, terms of cancellation between Buyer and its cellular network or airtime provider may differ from those included in Section 3 above. (viii) Veracity Wireless, Inc. assumes no responsibility for improper storage of data or information by Buyer or delivery of messages; and (ix) Buyer assumes the entire risk in downloading or otherwise accessing any data, information, files or other materials obtained from the website, even if Buyer has paid for or otherwise been provided virus protection services. (x) Location data will be stored on Veracity Wireless, Inc.' and/or our 3rd party service providers' websites and databases for a limited time period. Buyer is responsible for downloading and storing data before the limited time period elapses. Data will be archived from such websites and databases after the limited storage time period expires and require additional fees for retrieval. (xi) Veracity Wireless, Inc. and our 3rd party service providers reserve the right to limit or disable access to the website periodically for maintenance purposes. While most maintenance will be carried out during non-peak evening hours, there will be occasions where maintenance must be carried out during normal business hours.

11. Coverage and Data Transmission: The Products and the provided services are dependent on the coverage and calling areas of cellular networks owned and operated by third parties. Coverage and calling areas are approximate and do not cover portions of North America. Actual coverage and operation of the Products depends on system availability and capacity, system upgrades, repairs, maintenance, modifications and relocation, Buyer's equipment, terrain, signal strength, structural conditions, weather and atmospheric conditions, governmental regulations, suspected fraudulent activities, acts of God and other conditions beyond Veracity Wireless, Inc.'s' reasonable control. Veracity Wireless, Inc. will not be responsible for limits in coverage or performance degradation due to any such conditions. Buyer acknowledges that coverage and calling areas may be interrupted, halted, or curtailed or the quality of the transmission may be diminished at any time. The Products and the Services are dependent upon the availability of the Internet, which is owned and operated by and accessed through third parties.

12. Security, Transfer and Deactivation. The Equipment transmits your vehicles' and assets' locations and other specified information, and is associated with an account that includes personal information such as your name, address, telephone number, email address, username and password. For your security you must not use username and password combinations to access our website that are also used for any other secured websites. This includes banking, credit card, and other financial websites. If you wish to transfer a GPS Locator Unit to another asset owned by you, you agree to have it moved from one asset to another asset in accordance with the most recent deactivation/transfer policy posted on our Site. The policy, which may change from time to time, currently provides that you agree to have it moved from one vehicle to another vehicle by an authorized technician, notify Veracity Wireless, Inc. that you are transferring your Product and Service by calling Veracity Wireless, Inc. at 1-888-803-0200. All historical location data that exists for the vehicle or asset being removed from the system may be deleted. The balance of your applicable subscription term will be transferred to the new vehicle.

13. High Risk Activities: The Products and any modifications, alterations, additions or changes to the Products, are not fault tolerant and are not designed, manufactured or intended for use in life support, emergency, mission critical or other ultra-hazardous activities ("High Risk Activities"). Veracity Wireless, Inc. specifically disclaims any express or implied warranty of fitness for such High Risk Activities. Buyer represents and warrants that it will not use, or permit to be used, the Products for such High Risk Activities, and Buyer agrees to fully indemnify and hold harmless Veracity Wireless, Inc. for any damages or other losses resulting from such use.

14. Force Majeure: Notwithstanding anything else in this Agreement, no default, delay or failure to perform on the part of Veracity Wireless, Inc. shall be considered a breach of this Agreement if such default, delay or failure to perform is shown to be due to causes beyond the reasonable control of Veracity Wireless, Inc., including without limitation, failure of a cellular network or the Internet network, strikes, lockouts or other labor disputes, riots, civil disturbances, actions or inactions of governmental authorities or suppliers, epidemics, war, embargoes, severe weather, fire, earthquakes, acts of God or the public enemy, acts of terrorism, nuclear disasters, or default of a common carrier.

15. Technical Data: Buyer shall not without Veracity Wireless, Inc.' prior written consent use, duplicate, or disclose any technical data, or any information on the construction of the Products delivered or disclosed by Veracity Wireless, Inc. to Buyer for any purposes other than for the installation, operation or maintenance of the Products.

16. Security Interest: Veracity Wireless, Inc. reserves, until full payment has been received, a purchase money security interest in the Products. Buyer agrees to execute any document appropriate or necessary to perfect the security interest of Veracity Wireless, Inc., or in the alternative,

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veracity Wireless, Inc. may file this Agreement as a financing statement and/or chattel mortgage.

17. Arbitration: Except as specifically provided in this Agreement, the parties agree that any dispute or controversy arising out of, relating to or in connection with the interpretation, validity, construction, performance, breach or termination of this Agreement shall be submitted to binding arbitration to be held in accordance with the rules of the American Arbitration Association (the "Rules"). The decision of the arbitrator shall be final, conclusive and binding on the parties to the Arbitration. Judgment may be entered on the arbitrator's decision in any court of competent jurisdiction. The parties shall each bear their own attorney fees with respect to such Arbitration but shall share equally the other costs and expenses of Arbitration.

18. Governing Law & Venue: This Agreement and performance by the parties hereunder shall be construed in accordance with the laws of California. The venue for any arbitration proceeding shall be in San Diego, California and the arbitration proceeding shall be governed by the laws of California.

19. Assignment: Buyer shall not assign its order, this Agreement or any interest therein or any rights hereunder without the prior written consent of Veracity Wireless, Inc.

20. Headings: The headings used in this Agreement are for convenience only and no meaning shall be ascribed to such headings.

21. Entire Agreement: This Agreement between Buyer and Veracity Wireless, Inc. in connection with the Products and Services thereof constitutes the entire agreement between Veracity Wireless, Inc. and Buyer and supersedes all previous communications, representations and agreements, whether oral or written, between the Buyer and Veracity Wireless, Inc. with respect to the subject matter hereof. This Agreement may not be modified, supplemented, qualified, or interpreted except in writing signed by Buyer and Veracity Wireless, Inc. The failure by Veracity Wireless, Inc. to enforce at any time any of the provisions in this Agreement will in no way be construed as a waiver of such provisions.

22. BUYER ACKNOWLEDGES THAT, AS WITH ANY MAPS OR DRIVING DIRECTIONS, BUYER SHOULD ALWAYS RECHECK DIRECTIONS AND DRIVING CONDITIONS FOR ACCURACY AND CONFIRM THAT THE ROAD STILL EXISTS, BE AWARE OF CONSTRUCTION AND OTHER HAZARDS AND FOLLOW ALL SAFETY PRECAUTIONS AND LAW. THE PRODUCTS AND THE SERVICE ARE TO BE USED ONLY AS AN AID IN PLANNING. 23. BY SIGNING THIS AGREEMENT, THE BUYER ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

**Buyer's Initials_____**

**Product Order and Service Agreement**
**between**
**City of Compton**
**and**
**Veracity Wireless, Inc. (dba) FieldLogix**

**[General Services/Resolution No. _____]**
**Fiscal Year 2014-2015**

**Approved as to form:**

**By _____ Dated: _____**
**Craig J. Cornwell, City Attorney**

**ATTEST:**

**By _____ Dated: _____**
**Alita Godwin, City Clerk**

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **General Services**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXECUTE A SERVICE AGREEMENT AND ISSUE A PURCHASE ORDER TO VERACITY WIRELESS, INC. (DBA) FIELDLOGIX FOR GPS ANNUAL MONITORING FEES FOR FISCAL YEAR 2014-2015 ($39,901.65)**

| | |
|---|---|
| ***Van Wilson*** | **4/23/2015 11:43:11 AM** |
| DEPARTMENT MANAGER'S SIGNATURE | DATE |

**REVIEW / APPROVAL**

| | |
|---|---|
| ***Ruth Rugley*** | **4/23/2015 3:36:47 PM** |
| CITY ATTORNEY | DATE |
| ***Michael Antwine*** | **4/23/2015 2:54:04 PM** |
| CITY CONTROLLER | DATE |
| ***Kelly Montgomery*** | **4/22/2015 11:43:11 AM** |
| CITY MANAGER | DATE |

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |

April 28, 2015

TO: MAYOR AND CITY COUNCIL

FROM: JON THOMPSON, FIRE CHIEF
COMPTON FIRE DEPARTMENT

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE FIRE DEPARTMENT 2014/2015 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO CARMENITA TRUCK CENTER FOR VEHICLE MAINTENANCE AND REPAIRS FOR THE FIRE DEPARTMENT'S FLEET OF EMERGENCY AMBULANCES, SEDANS AND UTILITY VEHICLES ($20,000)**

## SUMMARY

This Resolution authorizes the City Manager to issue a purchase order to Carmenita Truck Center for Fire Department fleet maintenance and repairs.

## BACKGROUND

The Fire Department uses Carmenita Truck Center to repair its emergency ambulances, sedans and utility vehicles. Carmenita Truck Center is part of the Ford Franchise that sells and services the Ford ambulances and sedans that the Fire Department has as part of its inventory. Carmenita Truck Center is located minutes away from the City of Compton and provides the Fire Department with pick-up and delivery service. The City of Compton does not have a vendor or a Ford dealership within the City's boundaries that is certified to service ambulances or Ford Warranty Products.

## STATEMENT OF THE ISSUE

Due to unanticipated major repairs, the initial purchase orders have been depleted. The Fire Department requests that a purchase order be issued to Carmenita Truck Center in In the amount of $20,000 in order to compensate the vendor for current and future FY 2014/15 repair needs.

## FINANCIAL IMPACT

Due to an aging fleet, maintenance and repairs have exceeded anticipated cost. Therefore it is necessary to amend the Fire Department 2014/15 Fiscal Year Budget as follows:

**From:**

| **Account Number** | **Description** | **Amount** |
|---|---|---|
| 10016900004230 | Maintenance/Repair | $20,000 |

**To:**

| **Account Number** | **Description** | **Amount** |
|---|---|---|
| 10016900004229 | Automotive Repairs | $20,000 |

**ALTERNATIVE**

The alternative would be for the Fire Department to use another vendor other than Carmenita Truck Center. Although shop rates are generally the same, this would not be a responsible decision in terms of selecting the most responsive vendor. Because of our high demand in preventive maintenance and repair, it would be more prudent and cost effective to stay with a vendor large enough to handle the needs of our department. Staff went to area Ford dealers to determine who could handle the high volume of work due to our aging fleet. The review revealed that Carmenita Truck Center (A Ford Company) has and continues to be the one that can give the City of Compton Fire Department priority and get our emergency vehicles out in an expeditious manner.

**RECOMMENDATION**

It is recommended that Council approve the attached Resolution.

**JON THOMPSON, FIRE CHIEF
COMPTON FIRE DEPARTMENT**

**APPROVED TO FORWARD:**

**JOHNNY FORD
CITY MANAGER**

**RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE FIRE DEPARTMENT 2014/2015 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO CARMENITA TRUCK CENTER FOR VEHICLE MAINTENANCE AND REPAIRS FOR THE FIRE DEPARTMENT'S FLEET OF EMERGENCY AMBULANCES, SEDANS AND UTILITY VEHICLES ($20,000)**

**WHEREAS,** the Fire Department has a continuous need for vehicle repair and maintenance; and

**WHEREAS**, the City of Compton does not have a vendor or a Ford Dealership that provides certified service needs for Ford Vehicles within the City's boundaries; and

**WHEREAS,** during the past year this need was met by Carmenita Truck Center for maintenance and repair for our Ford Sedans and Ambulances; and

**WHEREAS**, Camenita Truck Center will service the Fire Department's preventive maintenance needs for sedans and ambulances, as well as manage mechanical break down issues when they occur; and

**WHEREAS,** the funds allocated in the Fire Department's 2014-2015 Fiscal Year budget for these repairs have been depleted, thus funds for this expenditure will require a transfer between accounts in the amount of $20,000, which is available in the 2014-2015 Fiscal Year budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** That the Fire Department's 2014/15 Fiscal Year Budget be amended as follows:

**From:**

| **Account Number** | **Description** | **Amount** |
|---|---|---|
| 10016900004230 | Maintenance/Repair | $20,000 |

**To:**

| **Account Number** | **Description** | **Amount** |
|---|---|---|
| 10016900004229 | Automotive Repairs | $20,000 |

**SECTION 2.** That the City Manager is authorized to establish a purchase order with Carmentia Truck Center in the amount of $20,000.

**SECTION 3.** That a copy of this Resolution shall be forwarded to the offices of the City Manager, City Controller and Fire Department.

**SECTION 4.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

**ADOPTED** this ___ day of _____, 2015.

_____

**MAYOR OF THE CITY OF COMPTON**

#25.



**ATTEST:**

_____
**CITY CLERK OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _____, 2015.

That said Resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-**
**NOES: COUNCIL MEMBERS-**
**ABSENT: COUNCIL MEMBERS-**
**ABSTAIN: COUNCIL MEMBERS-**

_____
**CITY CLERK OF THE CITY OF COMPTON**

**RESOLUTION SIGN-OFF FORM**

**DEPARTMENT:** **Fire Department**

**RESOLUTION TITLE:** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE FIRE DEPARTMENT 2014/2015 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO CARMENITA TRUCK CENTER FOR VEHICLE MAINTENANCE AND REPAIRS FOR THE FIRE DEPARTMENT'S FLEET OF EMERGENCY AMBULANCES, SEDANS AND UTILITY VEHICLES ($20,000)**

***Jon Thompson*** — **4/20/2015 3:22:20 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

**REVIEW / APPROVAL**

***Ruth Rugley*** — **4/22/2015 11:18:34 AM**
CITY ATTORNEY — DATE

***Stephen Ajobiewe*** — **4/21/2015 6:39:44 PM**
CITY CONTROLLER — DATE

***Johnny Ford*** — **4/20/2015 8:52:48 PM**
CITY MANAGER — DATE

| Use when: | |
|---|---|
| Public Works: | When contracting for Engineering Services. |
| City Attorney: | When contracting for legal services; contracts that require City Attorney's review. |
| Controller/Budget Officer: | Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers. |
| Asst. City Manager/OAS: | All personnel actions. |