NOTICE

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

HEARING(S)

OPENING

MOMENT OF SILENCE

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

1. ASSEMBLYMAN MIKE GIPSON - California Legislative Update

   ACTION PRESENTATION MADE

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

2. JULY 14, 2015

   ACTION APPROVED

REPORTS OF OFFICERS AND COMMISSIONS

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND

CITY COUNCIL

CITY MANAGER'S REPORT

3. ORAL PRESENTATION - Denise Teora, Community Outreach Liaison - (Keep Your Home California)

   ACTION PRESENTATION MADE

4. ORAL PRESENTATION - Strategic Counsel PLC - State Legislative and Advocacy Services

   ACTION PRESENTATION MADE

5. STAFF DEMONSTRATION - Website Online Payments (Water, Sewer and Trash)

   ACTION PRESENTATION MADE

CITY ATTORNEY'S REPORTS

UNFINISHED BUSINESS

NEW BUSINESS

6. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON LEVYING A MUNICIPAL TAX RATE FOR THE FISCAL YEAR 2015-2016

   ORDINANCE 2,260

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A THREE (3) YEAR SOFTWARE AGREEMENT WITH ESRI, INC. AND ISSUE A PURCHASE ORDER FOR $27,250.00 FOR PROVIDING ANNUAL GEOGRAPHICAL INFORMATION SYSTEM SOFTWARE LICENSING AND MAINTENANCE SERVICES FOR FISCAL YEAR 2015-2016

   RESOLUTION 24,195

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO GATEWAY CITIES COUNCIL OF GOVERNMENTS FOR THE PURPOSE OF PAYING THE ANNUAL MEMBERSHIP FEE, I-710 CORRIDOR ENVIRONMENTAL IMPACT REPORT/ENVIRONMENTAL IMPACT STATEMENT (EIR/EIS) REPORT AND SR-91/I-605/I-405 MAJOR CORRIDOR STUDY FEES FOR FISCAL YEAR 2015-2016 ($61,185.68)

   RESOLUTION 24,196

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH ALL STAR INTERPRETING SERVICE FOR PROVISION OF SPANISH LANGUAGE INTERPRETATION AND TRANSLATION SERVICES

   RESOLUTION 24,197

10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2015-2016

    RESOLUTION 24,198

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL ENGINEERING DESIGN SERVICES FOR CENTRAL AVENUE CORRIDOR PAVEMENT REHABILITATION PROJECT PHASE II ($131,327)

    RESOLUTION 24,199

12. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH INTERWEST CONSULTING GROUP TO PROVIDE COMPLEX PLAN CHECKS, EXPEDITED PLAN CHECKS, AND SUPPLEMENTAL PLAN CHECKS FOR THE BRICKYARD PROJECT ($115,818.00)

    RESOLUTION 24,200

13. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2015-2016

    RESOLUTION 24,201

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON SUPPORTING THE ADOPTION OF CALIFORNIA ASSEMBLY BILL (AB) 266 TO ESTABLISH A REGULATORY FRAMEWORK FOR MEDICAL MARIJUANA USE IN CALIFORNIA AND TO PROTECT THE LOCAL CONTROL AUTHORITY OF CITIES AND COUNTIES

    RESOLUTION 24,202

15. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING A MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE CITY OF COMPTON AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME), LOCAL 2325, COMPTON MANAGEMENT EMPLOYEES ASSOCIATION (CMEA) FOR FISCAL YEARS 2014 – 2016

    RESOLUTION 24,203

16. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE CITY MANAGER 2015-2016 FISCAL YEAR BUDGET TO ADD A PROJECT MANAGER

    RESOLUTION REMOVED

17. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE CITY MANAGER'S FY 2015-16 BUDGET TO REFLECT THE STAFFING FOR THE GANG INTERVENTION PROGRAM AS PREVIOUSLY APPROVED BY THE COUNCIL (NO FISCAL IMPACT).

    RESOLUTION 24,204

18. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH CIVIL SOURCE, INC., TO PROVIDE DESIGN SERVICES FOR THE WILMINGTON AVENUE SAFE STREETS PEDESTRIAN/BICYCLE IMPROVEMENT PROJECT AT A COST NOT TO EXCEED $84,050

    RESOLUTION 24,205

19. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2015-2016 ($109,000)

    RESOLUTION 24,206

20. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO EITHER A TWENTY (20) YEAR LEASE AGREEMENT WITH SOLEDAD ENRICHMENT ACTION, INC. OR A THREE (3) YEAR LEASE AGREEMENT WITH MID-CITIES ASSOCIATION FOR RETARDED CITIZENS, INC. FOR CITY-OWNED PROPERTY LOCATED AT 600 NORTH ALAMEDA STREET

    RESOLUTION 24,207

21. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE ISSUANCE AND SALE OF TAX AND REVENUE ANTICIPATION NOTES FOR FISCAL YEAR 2015-16 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF THE TRUST AGREEMENT, THE ACCOMPANYING DOCUMENT, THE DIRECTION LETTER, THE NOTE PURCHASE AGREEMENT, THE PRELIMINARY LIMITED OFFERING MEMORANDUM, THE LIMITED OFFERING MEMORANDOM, THE TAX AGREEMENT, THE INVESTOR LETTER, APPROVING NOT TO EXCEED PARAMETERS FOR THE NOT TO EXCEED PAYMENT TERMS OF THE SERIES 2015-16 TRANS, THE ADOPTION OF POST ISSUANCE TAX COMPLAINCE PROCEDURES AND AUTHORIZING OTHER RELATED MATTERS

RESOLUTION 24,208

22. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING IN KIND CONTRIBUTIONS IN SUPPORT OF THE 12TH ANNUAL COMPTON STAND DOWN FOR VETERANS SEPTEMBER 26-28, 2015

RESOLUTION 24,209

23. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON IN FULL SUPPORT OF THE PROPOSALS BY THE ASSOCIATION FOR LOS ANGELES DEPUTY SHERIFFS (ALADS) TO RESTORE THE COMPETITIVE PAY AND BENEFITS FOR DEPUTY SHERIFF PERSONNEL TO RECRUIT, HIRE, TRAIN AND DEPLOY THE BEST QUALIFIED INDIVIDUALS TO HELP PROVIDE THE HIGHEST PUBLIC SAFETY SERVICES FOR THE RESIDENTS AND BUSINESSES OF THE CITY OF COMPTON

RESOLUTION 24,210

24. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE INITIATION OF WORK FOR THE ISSUANCE AND SALE OF BONDS TO REFUND PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS (REFUNDING AND VARIOUS CAPITAL PROJECTS), SERIES 2008, THE REALLOCATION OF MONEYS IN THE 2008 PROJECT FUND THEREOF, THE EXECUTION OF PROFESSIONAL SERVICE CONTRACTS ALL IN CONNECTION WITH THE ISSUANCE OF SUCH REFUNDING BONDS AND FOR OTHER PURPOSES

RESOLUTION 24,211

25. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING ASSIGNMENT OF DELINQUENT TAX RECEIVABLES TO THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY FOR PRIOR FISCAL YEARS, AND AUTHORIZING EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND ACTIONS

RESOLUTION 24,212

APPROVAL OF WARRANTS

26. Warrant #228581 - Date - 7/8/15 - Name - Image Management Systems Inc. - Service - Digitization of Planning Records - Amount - $30,041.92 - Requested by: Building/Safety
Warrant #228594 - Date - 7/8/15 - Name - Office Depot - Service - Departmental Supplies - Amount - $493.63 - Requested by: Parks/Recreation
Warrant #228611 - Date - 7/8/15 - Name - Staples Advantage - Service - Office Supplies for Senior Center - Amount - $1,888.45 - Requested by: Parks/Recreation

Total Amount - $32,424.00

ACTION APPROVED

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, September 08, 2015 @ 5:45 PM.

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

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JULY 14, 2015

The City Council meeting was called to order at 5:46 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, Sharif, Brown**
Council Members Absent: **None**

Other Officials Present: **C. Cornwell, V. McDaniel, J. Ford**

INTRODUCTION OF SPECIAL GUESTS

SMART & FINAL EXTRA IS COMING TO DOWNTOWN COMPTON - Pat Barber, Smart & Final Vice President of Real Estate announced the construction of a Smart & Final Extra store at the site formerly known as Ralph's grocery store. The date of completion is October 2, 2015.

COMMENDATORY RESOLUTIONS & PRESENTATIONS

COMMENDATORY PRESENTATION - Former Elected Official & Public Servant Willard H. Murray Jr. - Councilperson Galvan (Presentation made)

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Cassandra Rice, Compton resident, asked the City Council to assist her with issues concerning identity theft and stalking.

Mayor Brown referred Ms. Rice to Sergeant Ash in the lobby.

The following persons petitioned to the City Council to grant Mid-Cities Association a three-year lease agreement for city-owned property located at 600 North Alameda Street: Gloria Davis, James Fields, Juliana Griffin, J.B. Wagner, and Shyesha Bryson.

Elder Mike Bradford, Compton resident, solicited the community to attend and participate in a community outreach event to be held August 22, 2015 at Walter J. Tucker Park. The event will include: job opportunities, food, clothing, and children activities.

Valeria Dudley, Compton resident, articulated her support for a three-year lease agreement to Mid-Cities Association for city-owned property located at 600 North Alameda Street. She also commented on the success of the Compton Campfire Girls event held on Raymond Street and hoped this City Council would agree to give the organization authorization to host their events on the site once it is restored.

Michael Turner, Compton resident, petitioned the City Council to allow the Compton NAACP access to 600 North Alameda Street for its meetings.

Mario Solis, Soledad Enrichment Action (SEA), reminded the City Council of the works SEA has done to transform and revitalize the lives of gang members. He indicated that with the use of 600 North Alameda, SEA will be able to create 300 new jobs in the first three years of existence. He also noted that they would move an additional 40 to 50 jobs into the City during the same three year period. He made mention of their twenty year lease agreement proposal and the benefits to the youth; and lastly, he indicated that facility costs at 600 North Alameda amount to $240,000 annually to which this expense will swift to the private sector if they are granted use of the facility.

Mayor Brown asked the City Manager to comment on the utility costs at 600 North Alameda Street.

City Manager Ford stated that the City pays approximately $225,000 annually in utility costs while also generating $36,000 a year in revenue.

Joyce Kelly, Compton resident, stated that she remembers when the City scheduled public hearings prior to granting lease agreements to outside entities. She made mention of the proposed twenty year lease agreement within Item No. 9; and suggested the City Council refrain from signing Item No. 10 because it cites a demoralizing term for special needs persons. She went on to question what the City Council knows about the proposed comprehensive youth training program for $250,000 because it is not mentioned in the newly adopted budget. Lastly, she asked the City Manager to address whether or not the Compton Chamber of Commerce owes the City $14,000 for hosting the Christmas parade, how the City Manager authorized expense costs in excess of $40,000 for the State of the City if his signing authority is only $25,000.

Lynn Boone, Compton resident, suggested Mayor Brown excuse herself from voting on Item No. 5 because the Metropolitan Water District (MWD) donated funds towards the State of the City Address. She also asked that the City Council be mindful of the fact that 600 North Alameda was the meeting place of the first City Council meetings. She pleaded with the citizens to purchase a copy of the City Charter because each councilperson is supposed to represent the voice and opinions of their constituents. She maintained that in the event Soledad Enrichment Action is granted the twenty year lease for 600 North Alameda the citizens of Compton will not be served in the same manner in which they would be if the organization was from the City of Compton.

Councilperson Galvan clarified that SEA is a charter school that services many urban communities including the City of Compton. Mr. Galvan also made note of the new school opening on Alondra and Atlantic within the next 30 days and that SEA used to have a school at Our Lady of Victory Church for over 15 years.

Bishop Guillory, Compton resident, asked that the City Council clarify whether or not Mid-Cities Association for Retarded Citizens, Inc. is the official name of the organization due to issues concerning political correctness. He went on to compliment Mid-Cities for their good works in the community and affirmed that there has to come a time when speakers seek to comment from a clean spirit at the podium. He further urged the citizens to stop fighting everything proposed by this City council because it will not bring about the positive change needed in the community.

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, Sharif, Brown
NOES: Council Members – None
ABSENT: Council Members – None

APPROVAL OF MINUTES

1. JUNE 23, 2015 JUNE 24, 2015 **(Approved)**

END CONSENT AGENDA

REGULAR AGENDA

CITY MANAGER'S REPORT

2. ORAL PRESENTATION/DISCUSSION - Compton Fire Department - Defibrillator Training

Bryan Batiste, Interim Fire Chief, presented the City Council with an overview of the Fire Department's Automatic External Defibrillator (AED) program. Mr. Batiste went on to state that the Compton Fire Department answers approximately 11,500 calls per year and in the last year the AED was used eight times. Furthermore, last week, when the machines were temporarily removed from the engines, Mr. Batiste stated that there had been no calls to justify the use of the machine. He proclaimed that the citizens are safe, and that yesterday, he submitted the required documents to the County Department of Health Services to restore the program and put the equipment back on the engines. He indicated that this is an optional program that the City opted into 19 years ago, and that adjustments have been made in policy and training measures to ensure compliance.

Councilperson Arceneaux asked Mr. Batiste if defibrillator machine users must be trained and certified.

Mr. Batiste replied affirmatively noting that users must be certified by the County of Los Angeles which is basically a CPR card. In addition, Mr. Batiste stated that the machines are set up for use for the average person with no medical training. Additionally, he stated that the machines were removed from the engines because documentation of training was not up to the auditor's expectations. Mr. Batiste made note of his meetings with the City Manager and the County of Los Angeles to get a clear understanding as to what they were looking for because the machines can be placed in city facilities without prior training however when used by firefighters, training is required.

Councilperson Zurita thanked Mr. Batiste for his presentation and articulated her concerns for accountability, compliance requirements, and her obligation to the residents to ensure adequate public safety.

Mayor Brown requested a copy of the corrective actions taken by the Fire Department in their policies and training. Mayor Brown also asked that the City locate the person responsible for sending internal documents to the Los Angeles Times newspaper before ensuring its accuracy.

CITY ATTORNEY'S REPORTS

CLOSED SESSION

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
   Thompson v. City of Compton, et al., LASC Case No. BC578299
   Chase Bank v. Carrillo-Cervantes, et al., LASC Case No. BC560616
   Pursuant to California Government Code Section 54956.9(a)

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

On motion by Zurita, seconded by Arceneaux, the above closed sessions were approved, by the following vote on roll call:

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

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA FOR $2,300,000.00 FOR GROUNDWATER PRODUCTION ASSESSMENT FEES FOR THE 2015-2016 FISCAL YEAR

Mayor Brown directed the City Manager to provide a brief summary for the benefit of the public.

City Manager Ford reported that this resolution pertains to the City's annual ground water program and production which ensures the City has ground water and drinking water.

Councilperson Galvan inquired about any potential increases in the cost of water.

Chad Blais, Director of Public Works, remarked that the price of water per foot increased from $2.68 to $2.83 which is a $300,000 addition compared to last year.

Councilperson Galvan inquired about total savings annually. Mr. Blais answered that the City is saving approximately $1.2M annually.

Councilperson Zurita asked Mr. Blais how long the City has been using 100% ground water. Mr. Blais stated that this year will make three years of the City using 100% ground water.

On motion by Arceneaux, seconded by Galvan, **Resolution # 24,185** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA FOR $2,300,000.00 FOR GROUNDWATER PRODUCTION ASSESSMENT FEES FOR THE 2015-2016 FISCAL YEAR"** was approved, by the following vote on roll call:

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

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FOR $200,000.00 TO PURCHASE IMPORTED WATER FOR THE 2015-2016 FISCAL YEAR

On motion by Zurita, seconded by Arceneaux, **Resolution # 24,186** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FOR $200,000.00 TO PURCHASE IMPORTED WATER FOR THE 2015-2016 FISCAL YEAR"** was approved, by the following vote on roll call:

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

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID OF AND ISSUE A PURCHASE ORDER TO UNIVAR FOR $79,026.00 TO FURNISH AND DELIVER SODIUM HYPOCHLORITE FOR WATER DISINFECTION FOR FISCAL YEAR 2015-2016

Councilperson Sharif inquired about the bid process because the City received only one bid.

Chad Blais, Director of Public Works, remarked that Public Works' supplies requests are always publicly advertised in the local paper through the City Clerk's Office; in addition letters regarding the request for bids are sent directly to known vendors used in the past.

On motion by Arceneaux, seconded by Zurita, **Resolution #24,187** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID OF AND ISSUE A PURCHASE ORDER TO UNIVAR FOR $79,026.00 TO FURNISH AND DELIVER SODIUM HYPOCHLORITE FOR WATER DISINFECTION FOR FISCAL YEAR 2015-2016"** was approved, by the following vote on roll call:

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

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET ACCEPTING THE AWARDED 2013 ASSISTANCE TO FIREFIGHTERS GRANT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SERVICES CONTRACT WITH WESTNET, INC. FOR INSTALLATION OF FIRST-IN FIRE STATION ALERTING SYSTEMS ($238,318.66)

Councilperson Sharif asked that someone explain why the City has to pay 75% of the cost before the company begins work on the alerting system.

Bryan Batiste, Interim Fire Chief, answered that some grants have various requirements and regulations wherein funds have to be matched. Additionally, this particular grant is part of a grant reimbursement program, therefore after the Fire Department "fronts" a specific amount of money they will be reimbursed.

Councilperson Sharif requested the financial impacts to the City for the life of the system. Mr. Batiste assured Councilperson Sharif that there are no additional costs.

On motion by Arceneaux, seconded by Zurita, **Resolution #24,188** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET ACCEPTING THE AWARDED 2013 ASSISTANCE TO FIREFIGHTERS GRANT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SERVICES CONTRACT WITH WESTNET, INC. FOR INSTALLATION OF FIRST-IN FIRE STATION ALERTING SYSTEMS ($238,318.66)"** was approved, by the following vote on roll call:

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

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A TWENTY (20) YEAR LEASE AGREEMENT WITH SOLEDAD ENRICHMENT ACTION, INC. (600 NORTH ALAMEDA STREET) **(REAGENDAD)**

Mayor Brown informed the council of a request to have Item No. 9 and Item No. 10 removed from the agenda until next week based upon discussions between the City Manager and a councilperson regarding the leases.

Councilperson Arceneaux stated that she had discussions with the City Manager because she did not believe she had sufficient information to make an informed decision.

City Manager Ford conceded that he would address all of Councilperson Arceneauxs' questions and concerns regarding this item.

Councilperson Galvan stated that he is very disappointed with the City Manager in that this issue concerns an item in his District that he knows nothing about.

Councilperson Zurita asked the City Manager if this item pertains to the City entering into negotiations. City Manager Ford clarified that SEA made a proposal, the City reviewed it, and this item represents their request to enter into a lease agreement for twenty years.

Mayor Brown recommended this item be brought back to allow staff time to prepare one conclusive item that would allow the council to make one decision based on a comparison of lease amounts, length of leases, job creation, benefits, length of service to the community, and number of years established.

Councilperson Galvan made mention of the City's lease agreements with the Y.A.L. program and Sheriff's Station, and the hundreds of thousands of dollars SEA will expend to renovate 600 North Alameda. City Manager Ford replied that both parties have made the same recommendation.

Councilperson Zurita insisted that someone from staff be held accountable for a letter sent to SEA indicating that the City had entered into exclusive negotiations agreement with Mid-Cities.

Councilperson Sharif stated that she is confused as to why two items are on the agenda for the same property.

Discussions continued regarding information sharing between the City and outside agencies and the parameters for entering into exclusive negotiation agreements.

Mayor Brown asked the City Manager to publicly address who approached the City first regarding the property at 600 North Alameda Street. City Manager Ford reported that Mid-Cities approached the City in October 2014 inquiring about land to build a facility, however their interest in 600 North Alameda began in late January 2015; SEA however, became interested in the property in April or May of 2015.

Councilperson Galvan accused the City Manager of being biased towards one company opposed to the other. City Manager Ford contended that he is not biased and only concerned about the best deal for the City of Compton.

Councilperson Zurita questioned how the agencies became aware of the availability of 600 North Alameda. City Manager Ford explained that after months of searching, staff suggested that Mid-Cities consider leasing 600 North Alameda as a way to generate over $200,000 a year for the City.

Councilperson Galvan asked the City Attorney to explain the kind of action the City can take if an employee tells a prospective tenant that the City has entered into exclusive negotiations with another agency.

City Attorney Cornwell reported that the City Council is more than welcome to express themselves to the City Manager in this forum.

Mayor Brown affirmed that she would not approve the lease of any property for one dollar, that she is not biased, and only concerned about the best value for the citizens of Compton.

Councilperson Sharif asked the City Manager if the City received inquiries from other agencies regarding 600 North Alameda. City Manager Ford replied affirmatively.

Mayor Brown requested the consensus of the City Council.

Councilperson Zurita suggested the item come back next week as a comparison analysis. Ms. Zurita also proposed that a policy be established mandating an RFP process for all other city-owned properties being sold or leased.

Councilperson Galvan proposed that the item come back next week in a side-by-side comparison analysis.

Councilperson Arceneaux recommended the item come back in a side-by-side comparison analysis.

Councilperson Sharif stated that she believes the item should have gone out for RFP from the very beginning to ensure decisions are made in the best interests of the citizens of Compton.

Mayor Brown supported the idea of bringing the item back and further requested a policy be brought back for dissolution or leases of properties.

10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A THREE YEAR LEASE AGREEMENT WITH MID-CITIES ASSOCIATION FOR RETARDED CITIZENS, INC. (600 NORTH ALAMEDA STREET) **(REAGENDAD)**

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANAGER TO ADMINISTER A COMPREHENSIVE YOUTH TRAINING PROGRAM FOR FISCAL YEAR 2015-2016 ($250,000)

It was moved by Arceneaux, seconded by Zurita, for discussion.

Councilperson Galvan asked the City Manager to explain this program.

City Manager Ford reported that this item pertains to the City's annual youth training program administered through Careerlink wherein 290 youth are served. Funding comes from Proposition C and Measure R funds for the summer, spring, and holiday seasons.

Councilperson Galvan asked the City Manager if equal amounts of youth participants are selected from each District.

Kimberly McKenzie, Director of Careerlink, replied affirmatively.

Councilperson Zurita asked the City Manager if these funds were budgeted. City Manager Ford replied affirmatively.

Councilperson Zurita inquired about how and when the youth are recruited for employment opportunities. Ms. McKenzie stated that every year, the youth come to Careerlink during Spring Break and put their names on the list to apply. Currently, the list is at 488, and the youth are selected on a first come first served basis by District so everyone will see the information at the same time, it is just a matter of the applicant bringing their application back.

Councilperson Sharif asked the City Manager if these funds came from the brickyard.

City Manager Ford stated that this program is funded by Measure R and Proposition C funds.

On motion by Arceneaux, seconded by Zurita, **Resolution #24,189** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANAGER TO ADMINISTER A COMPREHENSIVE YOUTH TRAINING PROGRAM FOR FISCAL YEAR 2015-2016 ($250,000)"** was approved, by the following vote on roll call:

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

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

#2.

COUNCIL COMMENTS

Councilperson Zurita offered the following communications/announcements:

- Asked the City Manager if he prepared the 2012-2013 fiscal year audit for her review.
- **City Manager Ford** replied affirmatively.
- "First District Townhall meeting" will be held Wednesday, July 15, 2015 at Gonzales Park from 6 p.m. to 7:30 p.m.
- "Autism Adventure Swim Club" will be meeting every Saturday at Gonzales Park until August 15, 2015.
- "Parks & Recreation Cricket Fundamentals Camp & Exposition" will begin Saturday, July 18, 2015 at Gonzales Park beginning at 9:30 a.m. For more information please call Carl Stevens at (951) 640-2154.
- "District One Action Committee Back to School Backpack Giveaway" will be held Saturday, August 8, 2015 beginning at 10 a.m. For more information please call Barbara Torres (310) 605-5510.
- Greater Zion Church will be hosting their "Annual Peace March" Saturday, July 18, 2015 beginning at 11 a.m.
- "Annual Breast Cancer Walk" will be held October 10, 2015 at Greenleaf and Wilmington beginning at 7 a.m.

Councilperson Galvan offered the following communications/announcements:

- Attended the Independent Contract Cities Conference in Rancho Bernardo wherein they discussed: marijuana dispensaries, parking meters, and other ways cities can increase revenue.
- Thanked the Parks & Recreation Department Summer Great program for hosting 100 kids from Compton at a Dodger game last Sunday.
- "A Tour of the AltaMed Health Facility" will be held July 16, 2015 at 9:30 a.m. Seniors are asked to meet at the Dollarhide Community Center. Lunch will be provided.
- Parks & Recreation Department Summer Great program will be taking kids to the WNBA LA Sparks game on July 16, 2015. Contact your local park for more information.
- Congratulated Bryan Batiste on his promotion to Interim Fire Chief.
- "Backpack Giveaway & Youth Festival" will be held Saturday, August 29, 2015 at Lueders Park. Offerings include: backpacks, new shoes, and haircuts. Rappers Baby Bash and Sugar Free will also be present to support the youth.

Councilperson Arceneaux offered the following communications/announcements:

- Metropolitan Water District (MWD) Turf Removal Rebate program has closed down as of July 10, 2014 due to lack of funding.
- "Coast to Coast Career Fair" will be held Monday July 20, 2015 from 11 a.m. to 2 p.m. at the Concourse Hotel in Los Angeles. For more information go to www.coasttocoastcareerfairs.com.
- Directed the City Manager to push forward to get Aprilia and Myrrh Street rehabilitated.

Meeting adjournments
Evelyn L. Terrell
Joe Wedgeworth

Councilperson Sharif offered the following communications/announcements:

- "Super Saturday College Fair" will be held at California State University Dominguez Hills Saturday, August 8, 2015 from 8:30 a.m. to 2 p.m. Guided tours and information on how to pay for college will be provided.

- Attended a Roundtable Summit sponsored by Vicki Lindsey and Project Cease Fire wherein discussions included violence in Compton and the surrounding cities.

City Attorney Cornwell offered the following communications/announcements:

- Wished his mother Maple Jackson Cornwell a Happy Birthday.

Meeting adjournments
Patricia Hemphill

Mayor Brown offered the following communications/announcements:

- Announced that she would be co-sponsoring the "Los Angeles County Empowerment Congress & Message Media Education for Young Men & Peace Officers" Saturday, July 25, 2015 from 8 a.m. to 2:30 p.m. in the Dollarhide Community Center. To register go to www.messagemediaed.org. Breakfast & lunch will be served. Transportation is also available.

- Expungement Workshops will be held August 15, 2015 and August 22, 2015 from 9 a.m. to 6 p.m. at Crossroads United Methodist Church. Attendees must register at eventbrite.com/freshstartadayofrestoration or call (310) 639-3136.

- Thanked the sponsors that contributed to the success of the State of the City Address.

- "2nd Annual Peace & Unity March" will be held at Greater Zion Church at 11. a.m. and concluding at City Hall.

CITY COUNCIL MEETING RECESSED

The City Council meeting was recessed at 8:48 p.m. and reconvened at 10:22 p.m.

CLOSED SESSION (REAGENDAD)

City Attorney Cornwell asked that the proposed closed session be postponed.

It was moved by Galvan, seconded by Zurita, a request to postpone the closed session was granted, by the following vote on roll call:

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

#2.

ADJOURNMENT

On motion by Zurita, seconded by Arceneaux, the meeting was adjourned at 10:24 p.m. in the memory of **Evelyn L. Terrell, Patricia Hemphill** and **Joe Wedgeworth**, by the following vote on roll call:

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

_____ _____

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Management**

RESOLUTION TITLE: **PRESENTATION: "KEEP YOUR HOME CALIFORNIA" a federally funded program to help California homeowners struggling to pay their mortgages due to financial hardships**

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

REVIEW / APPROVAL

<LegalName> — CITY ATTORNEY
<LegalDate> — DATE

<ControllerName> — CITY CONTROLLER
<ControllerDate> — DATE

<CityManager> — CITY MANAGER
<CityManagerDate> — 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: **DEMONSTRATION BY STAFF REGARDING THE NEW ONLINE PAYMENT WEBSITE FOR PAYMENT OF WATER, SEWER AND TRASH SERVICES.**

<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.

July 28, 2015

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON LEVYING A MUNICIPAL TAX RATE FOR THE FISCAL YEAR 2015-2016**

SUMMARY

The purpose of this ordinance is to authorize the levy of the assessed valuation municipal tax rate for Fiscal Year 2015-2016.

BACKGROUND

The City has levied municipal tax (parcel tax) for several years in line with Section 1402, 1600 and 1601 of the City Charter to pay for the City's obligations under the employees' retirement plan managed by the California Public Employees' Retirement System (CalPERS). The municipal tax is normally collected by the Los Angeles County, Auditor-Controller on behalf of the City. The Los Angeles County, Auditor-Controller has based assessed values at market values and, it is necessary to set the municipal tax at a rate based on market value. The municipal tax rate has remained unchanged over the years and the current rate is the same as the prior years' rate.

STATEMENT OF ISSUE

Los Angeles County, Auditor-Controller requested that the Municipal Rate ordinance be passed each year even though the municipal tax rate remained unchanged. This agenda item is required to comply with the request of the Los Angeles County. Similar action was performed last year.

FISCAL IMPACT

The passing of the ordinance will ensure that the City's retirement fund continues to receive the municipal parcel tax revenues in line with the requirements of the City Charter for the purpose stipulated by the Charter.

ALTERNATIVE

The City's General Fund will have to pay the cost of the retirement obligations resulting in severe financial consequences to other City programs and services.

RECOMMENDATION

It is hereby recommended that the City Council approve the attached ordinance.

JOHNNY FORD
CITY MANGER

ORDINANCE NO._____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON LEVYING A MUNICIPAL TAX RATE FOR THE FISCAL YEAR 2015-2016

WHEREAS, the City has levied municipal tax (parcel tax) for several years in line with Section 1402, 1600 and 1601 of the City Charter to pay for the City's obligations under the employees' retirement plan managed by the California Public Employees' Retirement System (CalPERS); and

WHEREAS, the municipal tax is normally collected by the Los Angeles County, Auditor-Controller on behalf of the City; and

WHEREAS, the Los Angeles County, Auditor-Controller has based assessed rates at market values and, it is necessary to set the municipal tax at a rate based on market value; and

WHEREAS, it is required that the City certify the municipal tax rate every year.

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

Section 1. That there is hereby levied a municipal tax upon the equalized assessment of the taxable property in the City of Compton at a market valuation of following rates (per cent):

Taxation District #1……..……..…….0.451632

(Old City of Compton, Annexations 1 to 3 inc; 5 to 10 inc; 13 to 32 inc; 106, 107, 111 to 122 inc; 125 to 133 inc; 136 to 139 inc; 141 to 143 inc; 145, 147, 149, 151, 152, 153A, 155, 158, 159, 160, 161, 163, 164, 168, 172A, 173B)

Rosecrans Redevelopment Project …… ……0.451632

Walnut Industrial Redevelopment Project…….....0.451632

Section 2. That said rate is made up as follows:

Employee Retirement (Debt Service)……0.451632

Section 3. That the City Clerk shall certify to the passage of this Ordinance by the City Council and shall cause this Ordinance to be published as required by law.

Section 4. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Ordinance.

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 Ordinance 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 this ___ day of _____, 2015.

That said Ordinance is 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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Controller**

RESOLUTION TITLE: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON LEVYING A MUNICIPAL TAX RATE FOR THE FISCAL YEAR 2015-2016**

Stephen Ajobiewe — **7/7/2015 9:02:38 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/14/2015 12:59:55 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/8/2015 2:10:19 PM**
CITY CONTROLLER — DATE

Kelly Montgomery — **7/8/2015 2:06:46 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.

July 28, 2015

TO: **MAYOR AND 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 A THREE (3) YEAR SOFTWARE AGREEMENT WITH ESRI, INC. AND ISSUE A PURCHASE ORDER FOR $27,250.00 FOR PROVIDING ANNUAL GEOGRAPHICAL INFORMATION SYSTEM SOFTWARE LICENSING AND MAINTENANCE SERVICES FOR FISCAL YEAR 2015-2016**

SUMMARY

This resolution authorizes the City Manager to accept the proposal of and enter into a 3-year agreement with ESRI, Inc. and issue a purchase order in the amount of $27,250.00 (Twenty-Seven Thousand Two Hundred Fifty Dollars and Zero Cents) for providing annual geographical information system (GIS) software licensing and maintenance services DURING Fiscal Year 2015-2016.

BACKGROUND

Local governments use GIS to improve decision making, service delivery, simulate and forecast events, and citizen engagement. GIS are made up of local information, such as the assets of a city and they are increasingly becoming the tool for determining the level of intelligence of the city. Certain cities will set up GIS by integrating assets that are useful to several departments and agencies, whereas others will reserve GIS to certain areas (infrastructures, transportation, security, public services). GIS can therefore be adapted to the different informational needs of the City. Since most government data is location based, equipping the City of Compton with the latest in GIS technology will provide the tools needed to make our community better, allow various City operations to interact and run more smoothly, and citizens have more positive experiences.

The City of Compton does not currently have a GIS database. Public Works, Planning, Building and Safety, and the Fire Department have formed a working group to combine resources and are requesting the Council's support for developing a self-sustaining GIS program, to support City staff, residents, and businesses. For the City, the creation of GIS program that can support the entire City would provide a very valuable in-house system to analyze huge amounts of data and aide in the creation of location-based data and maps.

Please note each department participating in the development of the GIS program has been allocated a portion of the project costs and the Water Utility Division has agreed to fund the purchase of ArcGIS software which is licensed by ESRI, Inc. Some of the other data that must be purchased by the other departments includes LARIAC parcel view data, imagery data, Los Angeles County Parcel layer, and Los Angeles County Tax Roll data. Staff is currently evaluating professional GIS consultants to be contracted for the setup and design of the new fully functional GIS program that can meet the needs of multiple City departments.

STATEMENT OF THE ISSUE

Staff has identified a need to enter into a software licensing and maintenance agreement with ESRI, Inc. for its GIS software which will be used as the backbone software for the new GIS program. Staff recommends that the City Council approve the proposed resolution authorizing the City Manager to enter into a 3-year software licensing and maintenance agreement and issue a purchase order in the amount of $27,250.00 (Twenty-Seven Thousand Two Hundred Fifty Dollars and Zero Cents) for costs for Fiscal Year 2015-2016.

Included in the agreement is a 3-year schedule of annual payments for software license, maintenance and technical support. The payments for each year are as follows:

FISCAL YEAR	AMOUNT
2015-16	$27,250.00
2016-17	$27,250.00
2017-18	$27,250.00

ALTERNATIVE

None proposed.

FISCAL IMPACT

Funds are allocated in the 2015-16 Fiscal Year budget in Account No. 5000-890-000-4222 (Computer Software) for this agreement. This account has a balance of $150,000.00 and after this deduction there will be $122,750.00 left in the Computer Software account. Funding for the remaining two (2) years of the contract will be allocated in future City budgets.

RECOMMENDATION

It is staff's recommendation that the City Council approve this resolution authorizing the City Manager to enter into a 3-year software license and maintenance agreement and issue a purchase order in the amount of $27,250.00 (Twenty-Seven Thousand Two Hundred Fifty Dollars and Zero Cents).

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 A THREE (3) YEAR SOFTWARE AGREEMENT WITH ESRI, INC. AND ISSUE A PURCHASE ORDER FOR $27,250.00 FOR PROVIDING ANNUAL GEOGRAPHICAL INFORMATION SYSTEM SOFTWARE LICENSING AND MAINTENANCE SERVICES FOR FISCAL YEAR 2015-2016

WHEREAS, local governments use Geographical Information Systems (GIS) to improve decision making, service delivery, simulate and forecast events, and citizen engagement; and

WHEREAS, the City of Compton does not currently have a GIS database; and

WHEREAS, Public Works, Planning, Building and Safety, and the Fire Department have formed a working group to combine resources and are requesting the Council's support for developing a self-sustaining GIS program, to support City staff, residents, and businesses; and

WHEREAS, the creation of GIS Program that can support the entire City would provide a very valuable in-house system to analyze huge amounts of data and aide in the creation of location-based data and maps; and

WHEREAS, staff has identified a need to enter into a software licensing and maintenance agreement with ESRI, Inc. for its ArcGIS software which will be used as the backbone software for the new GIS program; and

WHEREAS, funds for the cost of the licensing and maintenance agreement for Fiscal Year 2015-2016 with ESRI, Inc. are available in the Water Utility Division's 2015-2016 Fiscal Year Budget in Account No. 5000-890-000-4222 (Computer Software).

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 three (3) year software licensing and maintenance agreement with ESRI, Inc. that includes 3-year schedule of payments of $27,250 each for fiscal years 2015-16 through 2017-18.

SECTION 2. That funds for the annual payment for Fiscal Year 2015-2016 are available in the Water Utility Division's Fiscal Year 2015-2016 budget in Account #5000-890-000-4222 (Computer Software).

SECTION 3. That a purchase order is hereby authorized to issue in the amount of $27,250.00 (Twenty-Seven Thousand Two Hundred Fifty Dollars and Zero Cents) to ESRI, Inc.

SECTION 4. That funding for the remaining term of the agreement 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 Manager, City Controller, City Clerk and Water Utility Division.

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 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

June 26, 2015

Mr. Chad Blais
City of Compton
205 S Willowbrook
Compton, CA 90220

Dear Chad,

The Esri Small Utility Enterprise License Agreement (ELA) is a three-year agreement that will grant your organization access to Esri® term license software on an unlimited basis including maintenance on all software offered through the ELA for the term of the agreement. The ELA will be effective on the date executed and will require a firm, three-year commitment.

Based on Esri's work with several organizations similar to yours, we know there is significant potential to apply geographic information system (GIS) technology in many operational and technical areas within your organization. For this reason, we believe that your organization will greatly benefit from an enterprise license agreement.

An ELA will provide your organization with numerous benefits including:

- A lower cost per unit for licensed software
- Substantially reduced administrative and procurement expenses
- Maintenance on all Esri software deployed under this agreement
- Complete flexibility to deploy software products when and where needed

The following business terms and conditions will apply:

- All current departments, employees, and in-house contractors of the organization will be eligible to use the software and services included in the ELA.

- If your organization wishes to acquire and/or maintain any Esri software during the term of the agreement that is not included in the ELA, it may do so separately at the Esri pricing that is generally available for your organization for software and maintenance.

- The organization will establish a single point of contact for orders and deliveries and will be responsible for redistribution to eligible users.

- The organization will establish a Tier 1 support center to field calls from internal users of Esri software. The organization may designate individuals as specified in the ELA who may directly contact Esri for Tier 2 technical support.

- The organization will provide an annual report of installed Esri software to Esri.

- Esri software and updates that the organization is licensed to use will be automatically available for downloading.

- The organization will act as an Esri reference site and will permit Esri to publicize its use of Esri software and services.

- The fee and benefits offered in this ELA proposal are contingent upon your acceptance of Esri's Small Utility ELA terms and conditions.

- Licenses are valid for the term of the ELA.

The terms and conditions in this Small Utility ELA offer are for utilities with a total meter/subscriber count which falls under the applicable tier in the Esri ELA Small Utility Program. By accepting this offer, you confirm that your organization's meter count falls within this range on the date of signature and that you are therefore eligible for this pricing. If your organization's meter/subscriber count does not fall within this range, please confirm your current meter/subscriber count, and Esri will provide a revised quotation.

This program offer is valid for 90 days. To complete the agreement within this time frame, please contact me within the next seven days to work through any questions or concerns you may have. To expedite your acceptance of this ELA offer:

1. Sign and return the signature page of the ELA with a Purchase Order or issue a Purchase Order that references this ELA Quotation and includes the following statement on the face of the Purchase Order: **"THIS PURCHASE ORDER IS GOVERNED BY THE TERMS AND CONDITIONS OF THE ESRI SMALL UTILITY ELA, AND ADDITIONAL TERMS AND CONDITIONS IN THIS PURCHASE ORDER WILL NOT APPLY."** Have it signed by an authorized representative of the organization.

2. On the first page of the ELA, identify the central point of contact/agreement administrator. The agreement administrator is the party that will be the contact for management of the software, administration issues, and general operations. Information should include name, title (if applicable), address, phone number, and e-mail address.

3. In the purchase order, identify the "Ship to" and "Bill to" information for your organization.

4. Send the purchase order and agreement to the address, email or fax noted below:

   Esri
   Attn: Customer Service SU-ELA
   380 New York Street
   Redlands, CA 92373-8100

   e-mail: service@esri.com
   fax documents to: 909-307-3083

I appreciate the opportunity to present you with this proposal, and I believe it will bring great benefits to your organization.

Thank you very much for your consideration.

Best Regards,

Suzanne Timani

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
380 New York St
Redlands, CA 92373-8100
Phone: (909) 793-2853 Fax: (909) 307-3025
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

To expedite your order, please attach a copy of this quotation to your purchase order.
Quote is valid from: 06/26/2015 To: 09/24/2015

Quotation # 20471564

Date: June 26, 2015

Customer # **Contract #**

City of Compton
Public Works and Municipal Utilities
205 S Willowbrook
Compton, CA 90220

ATTENTION: Chad Blais
PHONE: (310) 605-5555
FAX:

Material	Qty	Description	Unit Price	Total
114761	1	Meter Counts of 10,001 to 50,000 Small Utility Term Enterprise License Agreement - Year 1	25,000.00	25,000.00
114761	1	Meter Counts of 10,001 to 50,000 Small Utility Term Enterprise License Agreement - Year 2	25,000.00	25,000.00
114761	1	Meter Counts of 10,001 to 50,000 Small Utility Term Enterprise License Agreement - Year 3	25,000.00	25,000.00

Item Total:	75,000.00
Subtotal:	75,000.00
Sales Tax:	6,750.00
Estimated Shipping & Handling(Surface Delivery) :	0.00
Contract Pricing Adjust:	0.00
Total:	$81,750.00

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Suzanne Timani **Email:** stimani@esri.com **Phone:** (909) 793-2853 x1627

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

If sending remittance, please address to: Esri File No. 54630, Los Angeles, Ca 90074-4630

This offer is limited to the terms and conditions incorporated and attached herein.

#7.

Quotation # 20471564

Date: June 26, 2015

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
380 New York St
Redlands, CA 92373-8100
Phone: (909) 793-2853 Fax: (909) 307-3025
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

To expedite your order, please attach a copy of this quotation to your purchase order.
Quote is valid from: 06/26/2015 To: 09/24/2015

Customer # Contract #

City of Compton
Public Works and Municipal Utilities
205 S Willowbrook
Compton, CA 90220

ATTENTION: Chad Blais
PHONE: (310) 605-5555
FAX:

If you have made ANY alterations to the line items included in this quote and have chosen to sign the quote to indicate your acceptance, you must fax Esri the signed quote in its entirety in order for the quote to be accepted. You will be contacted by your Customer Service Representative if additional information is required to complete your request.

If your organization is a US Federal, state, or local government agency; an educational facility; or a company that will not pay an invoice without having issued a formal purchase order, a signed quotation will not be accepted unless it is accompanied by your purchase order.

In order to expedite processing, please reference the quotation number and any/all applicable Esri contract number(s) (e.g. MPA, ELA, SmartBuy, GSA, BPA) on your ordering document.

BY SIGNING BELOW, YOU CONFIRM THAT YOU ARE AUTHORIZED TO OBLIGATE FUNDS FOR YOUR ORGANIZATION, AND YOU ARE AUTHORIZING ESRI TO ISSUE AN INVOICE FOR THE ITEMS INCLUDED IN THE ABOVE QUOTE IN THE AMOUNT OF $_____, PLUS SALES TAXES IF APPLICABLE. DO NOT USE THIS FORM IF YOUR ORGANIZATION WILL NOT HONOR AND PAY ESRI'S INVOICE WITHOUT ADDITIONAL AUTHORIZING PAPERWORK.

Please check one of the following:

___ I agree to pay any applicable sales tax.

___ I am tax exempt, please contact me if exempt information is not currently on file with Esri.

Signature of Authorized Representative **Date**

Name (Please Print)

Title

The quotation information is proprietary and may not be copied or released other than for the express purpose of system selection and purchase/license. This information may not be given to outside parties or used for any other purpose without consent from Environmental Systems Research Institute, Inc. (Esri).

Any estimated sales and/or use tax reflected on this quote has been calculated as of the date of this quotation and is merely provided as a convenience for your organization's budgetary purposes. Esri reserves the right to adjust and collect sales and/or use tax at the actual date of invoicing. If your organization is tax exempt or pays state tax directly, then prior to invoicing, your organization must provide Esri with a copy of a current tax exemption certificate issued by your state's taxing authority for the given jurisdiction.

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Suzanne Timani **Email:** stimani@esri.com **Phone:** (909) 793-2853 x1627

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

If sending remittance, please address to: Esri File No. 54630, Los Angeles, Ca 90074-4630

TIMANIS

This offer is limited to the terms and conditions incorporated and attached herein.

Esri Use Only:
Cust. Name _____
Cust. # _____
PO # _____
Esri Agreement # _____

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

SMALL ENTERPRISE LICENSE AGREEMENT
SMALL UTILITY
(E215-2)

This Agreement is by and between the organization identified in the Quotation ("**Licensee**") and **Environmental Systems Research Institute, Inc.** ("**Esri**").

This Agreement sets forth the terms for Licensee's use of Products and incorporates by reference (i) the Quotation and (ii) the License Agreement. Should there be any conflict between the terms and conditions of the documents that comprise this Agreement, the order of precedence for the documents shall be as follows: (i) the Quotation, (ii) this Agreement, and (iii) the License Agreement. This Agreement shall be governed by and construed in accordance with the laws of the state in which Licensee is located without reference to conflict of laws principles, and the USA federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this Agreement apply only to the Products listed in Table A.

Table A
List of Products

Unlimited Quantities

Desktop Software and Extensions
ArcGIS for Desktop Advanced
ArcGIS for Desktop Standard
ArcGIS for Desktop Basic
ArcGIS for Desktop Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Desktop, ArcGIS Data Reviewer

Server Software and Extensions
ArcGIS for Server Workgroup and Enterprise (Advanced, Standard, and Basic)
ArcGIS for Server Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Server, ArcGIS Image Extension for Server

Developer Tools
ArcGIS Engine
ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics
ArcGIS Runtime Standard
ArcGIS Runtime Standard Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Network Analyst

Limited Quantities
One (1) Annual Subscription to Esri Developer Network (EDN) Standard*
One (1) Esri CityEngine Advanced Single Use License
One (1) Esri CityEngine Advanced Concurrent Use License
One (1) ArcGIS Online Subscription

OTHER BENEFITS

One (1) ArcGIS Online Subscription with specified named users and credits as determined in the program description	**Level 2**
Number of Esri User Conference Registrations provided annually	**2**
Number of Tier 1 Help Desk Individuals authorized to call Esri	**3**
Maximum number of sets of backup media, if requested**	**2**
Seats in the Working with Geometric Networks for Utilities class	**1**
Virtual Campus Annual User License allowance	**7,500**
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package.)	

*Maintenance is not provided for these items.
**Additional sets of backup media may be purchased for a fee.

#7.

Licensee may accept this Agreement by signing and returning the whole Agreement with a sales quotation, purchase order, or other document ("Ordering Document") that matches the Quotation and references this Agreement. **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS AGREEMENT WILL GOVERN.** Unless otherwise mutually agreed to, this Agreement is effective as of the date of the last signature on the signature page ("Effective Date") or, if no date is provided with the signature, the date of Esri's receipt of Licensee's Ordering Document incorporating this Agreement by reference.

Term of Agreement: Three (3) years

This Agreement supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Products. Except as provided in Article 4—Product Updates, no modifications can be made to this Agreement.

Accepted and Agreed:

_____
(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

LICENSEE CONTACT INFORMATION

Contact: _____ Telephone: _____

Address: _____ Fax: _____

City, State, Postal Code: _____ E-mail: _____

Country: _____

Quotation Number (if applicable): _____

1.0—Additional Definitions

In addition to the definitions provided in the License Agreement, the following definitions apply to this Agreement:

"Deploy", "Deployed" and "Deployment" mean to redistribute and install the Products and related Authorization Codes within Licensee's organization(s).

"Fee" means the fee set forth in the Quotation.

"Incident" means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

"License Agreement" means (i) the applicable license agreement incorporated by this reference that is found at http://www.esri.com/legal/software-license; composed of the General License Terms and Conditions (E204) and Exhibit 1, Scope of Use (E300); and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed license agreement between the parties that supersedes such electronically acknowledged license agreement.

"Maintenance" means Tier 2 Support, Product updates, and Product patches provided to Licensee during the term of this Agreement.

"Product(s)" means the products identified in Table A—List of Products and any updates to the list Esri provides in writing.

"Quotation" means the offer letter and quotation provided separately to Licensee.

"Technical Support" means the technical assistance for attempting resolution of a reported Incident through error correction, patches, hot fixes, workarounds, replacement deliveries, or any other type of Product corrections or modifications.

"Tier 1 Help Desk" means Licensee's point of contact(s) to provide all Tier 1 Support within Licensee's organization(s).

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk.

"Tier 2 Support" means the Technical Support provided to the Tier 1 Help Desk when an Incident cannot be resolved through Tier 1 Support. Licensee will receive Tier 2 Support from Esri.

2.0—Additional Grant of License

2.1 Grant of License. Subject to the terms and conditions of this Agreement, Esri grants to Licensee a personal, nonexclusive, nontransferable license solely to use, copy, and Deploy quantities of the Products listed in Table A—List of Products for the term provided on the first page (i) for the applicable Fee and (ii) in accordance with the License Agreement.

2.2 Consultant Access. Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Products exclusively for Licensee's benefit. Licensee will be solely responsible for compliance by consultants and contractors with this Agreement and will ensure that the consultant or contractor discontinues use of Products upon completion of work for Licensee. Access to or use of Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Customer locations, except for the purpose of hosting the Software or Data on Contractor Servers for the benefit of Licensee.

3.0—Term, Termination, and Expiration

3.1 Term. The term of this Agreement and all licenses hereunder will commence on the Effective Date and continue for the duration identified on the first page, unless this Agreement is terminated earlier as provided herein. Licensee is only authorized to use Products during the term of this Agreement. For an Agreement with a limited term, Esri does not grant Licensee an indefinite or perpetual license to Products.

3.2 No Use upon Agreement Expiration or Termination. All Product licenses and all Maintenance, Esri Virtual Campus access, and Esri User Conference registrations terminate on expiration or termination of this Agreement.

3.3 Termination for a Material Breach. Either party may terminate this Agreement for a material breach by the other party. The breaching party will be given a period of thirty (30) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For an Agreement with government or government-owned entities, either party may terminate this Agreement before any subsequent year if Licensee is unable to secure

funding through the legislative or governing body's approval process.

4.0—Product Updates

4.1 Future Updates. Esri reserves the right to update the list of Products in Table A—List of Products by providing written notice to Licensee. Licensee may continue to use all Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Products are incorporated into the standard program, they will be offered to Licensee via written notice for incorporation into the Products schedule at no additional charge. Licensee's use of new or updated Products requires Licensee to adhere to applicable additional or revised terms and conditions of the License Agreement.

4.2 Product Life Cycle. During the term of this Agreement, some Products may be retired or may no longer be available to Deploy in the identified quantities. Maintenance will be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at http://support.esri.com/en/content/productlifecycles. Updates for Products in the mature and retired phases may not be available. Licensee may continue to use Products already Deployed for the term of this Agreement, but Licensee will not be able to Deploy retired Products.

5.0—Maintenance

The Fee includes standard maintenance benefits specified in the most current applicable Esri Standard Maintenance Program document (found at http://www.esri.com/legal). At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Products will receive Maintenance. Licensee may acquire maintenance for other Software outside this Agreement.

a. Tier 1 Support

1. Licensee will provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.

2. The Tier 1 Help Desk will be fully trained in the Products.

3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.

4. The Tier 1 Help Desk will be the initial points of contact for all questions and reporting of an Incident. The Tier 1 Help Desk will obtain a full description of each reported Incident and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Incident. The Tier 1 Help Desk may also use any other information and databases that may be developed to satisfactorily resolve the Incident.

5. If the Tier 1 Help Desk cannot resolve the Incident, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk will provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.

6. Tier 1 Help Desk individuals are the only individuals authorized to contact Tier 2 Support. Licensee may change the Tier 1 Help Desk individuals by written notice to Esri.

b. Tier 2 Support

1. Tier 2 Support will log the calls received from Tier 1 Help Desk.

2. Tier 2 Support will review all information collected by and received from the Tier 1 Help Desk including preliminary documented troubleshooting provided by the Tier 1 Help Desk when Tier 2 Support is required.

3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.

4. Tier 2 Support will attempt to resolve the Incident submitted by Tier 1 Help Desk.

5. When the Incident is resolved, Tier 2 Support will communicate the information to Tier 1 Help Desk, and Tier 1 Help Desk will disseminate the resolution to the user(s).

6.0—Endorsement and Publicity

This Agreement will not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Products. Either party may publicize the existence of this Agreement.

7.0—Administrative Requirements

7.1 OEM Licenses. Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this Agreement. Licensee will not seek any discount from the OEM partner or Esri based on the availability of Products under this Agreement. Licensee will not decouple Esri products or services from the OEM partners' application or service.

7.2 Annual Report of Deployments. At each anniversary date and ninety (90) calendar days prior to the expiration date of this Agreement, Licensee will provide Esri with a written report detailing all Deployments. Upon request, Licensee will provide records sufficient to verify the accuracy of the annual report.

8.0—Ordering, Administrative Procedures, Delivery, and Deployment

8.1 Orders, Delivery, and Deployment

a. Licensee will issue an Ordering Document upon execution of this Agreement and annually thereafter in accordance with the Quotation. Payment will be due and payable within thirty (30) calendar days of the anniversary date of the Effective Date, with the initial payment due within thirty (30) calendar days of execution of this Agreement. Esri's federal ID number is 95-2775-732.

b. Upon receipt of the initial Ordering Document from Licensee, Esri will authorize download of the Products to Licensee for Deployment. If requested, Esri will ship backup media to the ship-to address identified on the Ordering Document, FOB Destination, with shipping charges prepaid. For those entities that avoid sales tax by downloading deliverables, request for delivery or receipt of tangible media may cause the Fee to be subject to taxes. Licensee acknowledges that should such taxes become due, Esri has a right to invoice and Licensee will pay any such sales or use tax associated with its receipt of tangible media.

c. Esri will provide Authorization Codes to activate the nondestructive copy protection program that enables the Products to operate.

8.2 Order Requirements

a. All orders pertaining to this Agreement will be processed through Licensee's centralized point of contact.

b. The following information will be included in each Ordering Document:

(1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
(2) Order number
(3) Applicable annual payment due

9.0—MERGERS, ACQUISITIONS, OR DIVESTITURES

If Licensee is a commercial entity, Licensee will notify Esri in writing in the event of (i) a consolidation, merger, or reorganization of Licensee with or into another corporation or entity; (ii) Licensee's acquisition of another entity; or (iii) a transfer or sale of all or part of Licensee's organization (subsections i, ii, and iii, collectively referred to as "Ownership Change"). There will be no decrease in Fee as a result of any Ownership Change.

9.1 If an Ownership Change increases the cumulative program count beyond the maximum level for this Agreement, Esri reserves the right to increase the Fee or terminate this Agreement and the parties will negotiate a new agreement.

9.2 If an Ownership Change results in transfer or sale of a portion of Licensee's organization, that portion of Licensee's organization will uninstall, remove, and destroy or transfer the Products to Licensee.

9.3 This Agreement may not be assigned to a successor entity as a result of an Ownership Change unless approved by Esri in writing in advance. If the assignment to the new entity is not approved, Licensee will require any successor entity to uninstall, remove, and destroy the Products, and this Agreement will terminate upon such Ownership Change.

Esri Use Only:
Cust. Name _____
Cust. # _____
PO # _____
Esri Agreement # 2015SUE3607

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

SMALL ENTERPRISE LICENSE AGREEMENT
SMALL UTILITY
(E215-2)

This Agreement is by and between City of Compton (**"Licensee"**) and **Environmental Systems Research Institute, Inc.** (**"Esri"**).

This Agreement sets forth the terms for Licensee's use of Products and incorporates by reference (i) the Quotation and (ii) the License Agreement number 2015MLA3607. Should there be any conflict between the terms and conditions of the documents that comprise this Agreement, the order of precedence for the documents shall be as follows: (i) the Quotation, (ii) this Agreement, and (iii) the License Agreement. This Agreement shall be governed by and construed in accordance with the laws of the state in which Licensee is located without reference to conflict of laws principles, and the USA federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this Agreement apply only to the Products listed in Table A.

Table A
List of Products

Unlimited Quantities

Desktop Software and Extensions
ArcGIS for Desktop Advanced
ArcGIS for Desktop Standard
ArcGIS for Desktop Basic
ArcGIS for Desktop Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Desktop, ArcGIS Data Reviewer

Server Software and Extensions
ArcGIS for Server Workgroup and Enterprise (Advanced, Standard, and Basic)
ArcGIS for Server Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Server, ArcGIS Image Extension for Server

Developer Tools
ArcGIS Engine
ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics
ArcGIS Runtime Standard
ArcGIS Runtime Standard Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Network Analyst

Limited Quantities
One (1) Annual Subscription to Esri Developer Network (EDN) Standard*
One (1) Esri CityEngine Advanced Single Use License
One (1) Esri CityEngine Advanced Concurrent Use License
One (1) ArcGIS Online Subscription

OTHER BENEFITS

One (1) ArcGIS Online Subscription with specified named users and credits as determined in the program description	**Level 2**
Number of Esri User Conference Registrations provided annually	**2**
Number of Tier 1 Help Desk Individuals authorized to call Esri	**3**
Maximum number of sets of backup media, if requested**	**2**
Seats in the Working with Geometric Networks for Utilities class	**1**
Virtual Campus Annual User License allowance	**7,500**
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package.)	

*Maintenance is not provided for these items.
**Additional sets of backup media may be purchased for a fee.

#7.

Licensee may accept this Agreement by signing and returning the whole Agreement with a sales quotation, purchase order, or other document ("Ordering Document") that matches the Quotation and references this Agreement. **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS AGREEMENT WILL GOVERN.** Unless otherwise mutually agreed to, this Agreement is effective as of the date of the last signature on the signature page ("Effective Date") or, if no date is provided with the signature, the date of Esri's receipt of Licensee's Ordering Document incorporating this Agreement by reference.

Term of Agreement: Three (3) years

This Agreement supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Products. Except as provided in Article 4—Product Updates, no modifications can be made to this Agreement.

Accepted and Agreed:

CITY OF COMPTON
(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: Johnny Ford - City Manager

Date: _____

CITY OF COMPTON
(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: Alita Godwin - City Clerk

Date: _____

CITY OF COMPTON
(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: Craig J. Cornwell - City Attorney

Date: _____

ENVIRONMENTAL SYSTEMS RESEACH INSTITUTE, INC.
(Esri)

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

LICENSEE CONTACT INFORMATION

Contact: _____

Address: _____

City, State, Postal Code: _____

Country: _____

Quotation Number (if applicable): _____

Telephone: _____

Fax: _____

E-mail: _____

1.0—Additional Definitions

In addition to the definitions provided in the License Agreement, the following definitions apply to this Agreement:

"Deploy", "Deployed" and "Deployment" mean to redistribute and install the Products and related Authorization Codes within Licensee's organization(s).

"Fee" means the fee set forth in the Quotation.

"Incident" means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

"License Agreement" means Esri contract 2015MLA3607 composed of the General License Terms and Conditions (E204) and Exhibit 1, Scope of Use (E300) a copy of which is attached hereto and incorporated by reference.

"Maintenance" means Tier 2 Support, Product updates, and Product patches provided to Licensee during the term of this Agreement.

"Product(s)" means the products identified in Table A—List of Products and any updates to the list Esri provides in writing.

"Quotation" means the offer letter and quotation provided separately to Licensee.

"Technical Support" means the technical assistance for attempting resolution of a reported Incident through error correction, patches, hot fixes, workarounds, replacement deliveries, or any other type of Product corrections or modifications.

"Tier 1 Help Desk" means Licensee's point of contact(s) to provide all Tier 1 Support within Licensee's organization(s).

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk.

"Tier 2 Support" means the Technical Support provided to the Tier 1 Help Desk when an Incident cannot be resolved through Tier 1 Support. Licensee will receive Tier 2 Support from Esri.

2.0—Additional Grant of License

2.1 Grant of License. Subject to the terms and conditions of this Agreement, Esri grants to Licensee a personal, nonexclusive, nontransferable license solely to use, copy, and Deploy quantities of the Products listed in Table A—List of Products for the term provided on the first page (i) for the applicable Fee and (ii) in accordance with the License Agreement.

2.2 Consultant Access. Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Products exclusively for Licensee's benefit. Licensee will be solely responsible for compliance by consultants and contractors with this Agreement and will ensure that the consultant or contractor discontinues use of Products upon completion of work for Licensee. Access to or use of Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Customer locations, except for the purpose of hosting the Software or Data on Contractor Servers for the benefit of Licensee.

3.0—Term, Termination, and Expiration

3.1 Term. The term of this Agreement and all licenses hereunder will commence on the Effective Date and continue for the duration identified on the first page, unless this Agreement is terminated earlier as provided herein. Licensee is only authorized to use Products during the term of this Agreement. For an Agreement with a limited term, Esri does not grant Licensee an indefinite or perpetual license to Products.

3.2 No Use upon Agreement Expiration or Termination. All Product licenses and all Maintenance, Esri Virtual Campus access, and Esri User Conference registrations terminate on expiration or termination of this Agreement.

3.3 Termination for a Material Breach. Either party may terminate this Agreement for a material breach by the other party. The breaching party will be given a period of thirty (30) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For an Agreement with government or government-owned entities, either party may terminate this Agreement before any subsequent year if Licensee is unable to secure funding through the legislative or governing body's approval process.

3.5 Termination for Convenience. Termination for convenience is not permitted under this Agreement.

#7.

4.0—Product Updates

4.1 Future Updates. Esri reserves the right to update the list of Products in Table A—List of Products by providing written notice to Licensee. Licensee may continue to use all Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Products are incorporated into the standard program, they will be offered to Licensee via written notice for incorporation into the Products schedule at no additional charge. Licensee's use of new or updated Products requires Licensee to adhere to applicable additional or revised terms and conditions of the License Agreement.

4.2 Product Life Cycle. During the term of this Agreement, some Products may be retired or may no longer be available to Deploy in the identified quantities. Maintenance will be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at http://support.esri.com/en/content/productlifecycles. Updates for Products in the mature and retired phases may not be available. Licensee may continue to use Products already Deployed for the term of this Agreement, but Licensee will not be able to Deploy retired Products.

5.0—Maintenance

The Fee includes standard maintenance benefits specified in the most current applicable Esri Standard Maintenance Program document (found at http://www.esri.com/legal). At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Products will receive Maintenance. Licensee may acquire maintenance for other Software outside this Agreement.

a. Tier 1 Support

1. Licensee will provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.
2. The Tier 1 Help Desk will be fully trained in the Products.
3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.
4. The Tier 1 Help Desk will be the initial points of contact for all questions and reporting of an Incident. The Tier 1 Help Desk will obtain a full description of each reported Incident and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Incident. The Tier 1 Help Desk may also use any other information and databases that may be developed to satisfactorily resolve the Incident.
5. If the Tier 1 Help Desk cannot resolve the Incident, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk will provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.
6. Tier 1 Help Desk individuals are the only individuals authorized to contact Tier 2 Support. Licensee may change the Tier 1 Help Desk individuals by written notice to Esri.

b. Tier 2 Support

1. Tier 2 Support will log the calls received from Tier 1 Help Desk.
2. Tier 2 Support will review all information collected by and received from the Tier 1 Help Desk including preliminary documented troubleshooting provided by the Tier 1 Help Desk when Tier 2 Support is required.
3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.
4. Tier 2 Support will attempt to resolve the Incident submitted by Tier 1 Help Desk.
5. When the Incident is resolved, Tier 2 Support will communicate the information to Tier 1 Help Desk, and Tier 1 Help Desk will disseminate the resolution to the user(s).

6.0—Endorsement and Publicity

This Agreement will not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Products. Either party may publicize the existence of this Agreement.

7.0—Administrative Requirements

7.1 OEM Licenses. Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or

bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this Agreement. Licensee will not seek any discount from the OEM partner or Esri based on the availability of Products under this Agreement. Licensee will not decouple Esri products or services from the OEM partners' application or service.

7.2 Annual Report of Deployments. At each anniversary date and ninety (90) calendar days prior to the expiration date of this Agreement, Licensee will provide Esri with a written report detailing all Deployments. Upon request, Licensee will provide records sufficient to verify the accuracy of the annual report.

8.0—Ordering, Administrative Procedures, Delivery, and Deployment

8.1 Orders, Delivery, and Deployment

a. Licensee will issue an Ordering Document upon execution of this Agreement and annually thereafter in accordance with the Quotation. Payment will be due and payable within thirty (30) calendar days of the anniversary date of the Effective Date, with the initial payment due within thirty (30) calendar days of execution of this Agreement. Esri's federal ID number is 95-2775-732.

b. Upon receipt of the initial Ordering Document from Licensee, Esri will authorize download of the Products to Licensee for Deployment. If requested, Esri will ship backup media to the ship-to address identified on the Ordering Document, FOB Destination, with shipping charges prepaid. For those entities that avoid sales tax by downloading deliverables, request for delivery or receipt of tangible media may cause the Fee to be subject to taxes. Licensee acknowledges that should such taxes become due, Esri has a right to invoice and Licensee will pay any such sales or use tax associated with its receipt of tangible media.

c. Esri will provide Authorization Codes to activate the nondestructive copy protection program that enables the Products to operate.

8.2 Order Requirements

a. All orders pertaining to this Agreement will be processed through Licensee's centralized point of contact.

b. The following information will be included in each Ordering Document:

(1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
(2) Order number
(3) Applicable annual payment due

9.0—MERGERS, ACQUISITIONS, OR DIVESTITURES

If Licensee is a commercial entity, Licensee will notify Esri in writing in the event of (i) a consolidation, merger, or reorganization of Licensee with or into another corporation or entity; (ii) Licensee's acquisition of another entity; or (iii) a transfer or sale of all or part of Licensee's organization (subsections i, ii, and iii, collectively referred to as "Ownership Change"). There will be no decrease in Fee as a result of any Ownership Change.

9.1 If an Ownership Change increases the cumulative program count beyond the maximum level for this Agreement, Esri reserves the right to increase the Fee or terminate this Agreement and the parties will negotiate a new agreement.

9.2 If an Ownership Change results in transfer or sale of a portion of Licensee's organization, that portion of Licensee's organization will uninstall, remove, and destroy or transfer the Products to Licensee.

9.3 This Agreement may not be assigned to a successor entity as a result of an Ownership Change unless approved by Esri in writing in advance. If the assignment to the new entity is not approved, Licensee will require any successor entity to uninstall, remove, and destroy the Products, and this Agreement will terminate upon such Ownership Change.

#7.

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

LICENSE AGREEMENT
2015MLA3607
(E204M 06/13/2014)

This License Agreement is between City of Compton (**"Licensee"**) and **Environmental Systems Research Institute, Inc.** (**"Esri"**). This License Agreement includes (i) the License Agreement (E204M) General License Terms and Conditions, and (ii) Exhibit 1—Scope of Use (E300) and will supersede the License Agreement presented in the installation process requiring acceptance by electronic acknowledgment. The parties have caused this License Agreement to be effective as of the effective date of Esri contract 2015SUE3607 ("Effective Date").

GENERAL LICENSE TERMS AND CONDITIONS

ARTICLE 1—DEFINITIONS

Definitions. The terms used are defined as follows:

a. "Authorization Code(s)" means any key, authorization number, enablement code, login credential, activation code, token, account user name and password, or other mechanism required for use of a Product.
b. "Beta" means any alpha, beta, or prerelease Product.
c. "Commercial Application Service Provider Use" or "Commercial ASP Use" means generating revenue by providing access to Software or Online Services through a Value-Added Application, for example, by charging a subscription fee, service fee, or any other form of transaction fee or by generating more than incidental advertising revenue.
d. "Content" has the meaning provided in Addendum 3.
e. "Data" means any Esri or third-party digital dataset(s) including, but not limited to, geographic vector data, raster data reports, or associated tabular attributes, whether bundled with Software and Online Services or delivered independently.
f. "Deployment License" means a license that allows Licensee to sublicense select Software and associated Authorization Codes to third parties.
g. "Documentation" means all user reference documentation that is delivered with the Software.
h. "Online Services" means any Internet-based geospatial system, including applications and associated APIs, but excluding Data or Content, hosted by Esri or its licensors, for storing, managing, publishing, and using maps, data, and other information.
i. "Ordering Document(s)" means a sales quotation, purchase order, or other document identifying the Products that Licensee orders.
j. "Perpetual License" means a license to use a version of a Product for which applicable license fees have been paid, indefinitely, unless terminated by Esri or Licensee as authorized under this Agreement.
k. "Product(s)" means Software, Data, Online Services, and Documentation licensed under the terms of this License Agreement.
l. "Sample(s)" means sample code, sample applications, add-ons, or sample extensions of Products.
m. "Service Credit(s)" means a unit of exchange that is allocated with an Online Services subscription in an amount specified in the Ordering Document. Each Service Credit entitles Licensee to consume a set amount of Online Services, the amount varying depending on the Online Services being consumed. As Online Services are consumed, Service Credits are automatically debited from Licensee's account, up to the maximum number of Service Credits available. Additional Service Credits can be purchased as described in Addendum 3 (also available at http://www.esri.com/legal).
n. "Software" means all or any portion of Esri's proprietary software technology, excluding Data, accessed or downloaded from an Esri-authorized website or delivered on any media in any format including backups, updates, service packs, patches, hot fixes, or permitted merged copies.

o. "Term License" means a license or access provided for use of a Product for a limited time period ("Term") or on a subscription or transaction basis.
p. "Value-Added Application" means an application developed by Licensee for use in conjunction with the authorized use of any Software, Data, or Online Services.

ARTICLE 2—INTELLECTUAL PROPERTY RIGHTS AND RESERVATION OF OWNERSHIP

Products are licensed, not sold. Esri and its licensors own Products and all copies, which are protected by United States and applicable international laws, treaties, and conventions regarding intellectual property and proprietary rights including trade secrets. Licensee agrees to use reasonable means to protect Products from unauthorized use, reproduction, distribution, or publication. Esri and its third-party licensors reserve all rights not specifically granted in this License Agreement including the right to change and improve Products.

ARTICLE 3—GRANT OF LICENSE

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EXHIBIT 1
SCOPE OF USE
(E300 02/25/2015)

ADDENDUM 1
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(E300-1)

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- ArcGIS Explorer Desktop (20; Addendum 2, Note 1)
- ArcGIS for AutoCAD (20)
- ArcPad (12; 13; Addendum 2, Note 1; Addendum 2, Note 2)
- ArcReader (20; Addendum 2, Note 1)
- Esri Business Analyst (Addendum 2, Note 1; Addendum 2, Note 4)
- ArcGIS for Windows Mobile (15; 54; Addendum 2, Note 1)
- ArcGIS for iOS; ArcGIS for Windows Phone; ArcGIS for Android (Addendum 2, Note 1)

Server Products

- ArcGIS for Server
  - Workgroup (28; 29; 30; 32; 38; 39; Addendum 2, Note 1; Addendum 2, Note 6)
  - Enterprise (31; 38; 39; Addendum 2, Note 1; Addendum 2, Note 6)
  - with Virtual Cloud Infrastructure (10; Addendum 3—Common Terms)
- ArcGIS for Server Extension
  - ArcGIS for INSPIRE (Addendum 2, Note 1)
- Esri Business Analyst for Server
  - Workgroup (28; 29; 30; 31; 39; Addendum 2, Note 1; Addendum 2, Note 4)
  - Enterprise (31; 39; Addendum 2, Note 1; Addendum 2, Note 4)
- Portal for ArcGIS (31; Addendum 2, Note 1)
- Esri Tracking Server (31)

Developer Tools

- ArcGIS Runtime SDK for Android, iOS, Java, Mac OS X, Microsoft .NET Framework (Windows [desktop], Windows Phone, Windows Store), Qt, or WPF (16; 19; Addendum 2, Note 1)
- ArcGIS Runtime Standard Level for Android, iOS, Java, Mac OS X, Microsoft .NET Framework (Windows [desktop], Windows Phone, Windows Store), Qt, or WPF (15; 18; Addendum 2, Note 1)
- ArcGIS Engine Developer Kit and Extensions (16, 19; 22, 26)
- ArcGIS Engine for Windows/Linux and Extensions (15; 22; 26; Addendum 2, Note 1; Addendum 2, Note 6)
- ArcGIS Web Mapping (including ArcGIS API for JavaScript/HTML5, ArcGIS API for Flex, ArcGIS API for Microsoft Silverlight) (15; 16; 64; 66; Addendum 2, Note 1)
- Esri Business Analyst Server Developer (Addendum 2, Note 1; Addendum 2, Note 4)
- Esri Developer Network (EDN) Software and Data (24; 26; Addendum 2, Note 6)
- Esri File Geodatabase API (47)

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- ArcGIS for Transportation Analytics (1; Addendum 2, Note 1; Addendum 2, Note 2; Addendum 2, Note 11)

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29. Software can only be used with a supported version of SQL Server Express. Supported versions are listed with the system requirements for the product on the Esri website.
30. Use is restricted to a maximum of ten (10) gigabytes of Licensee's data.
31. Licensee may have redundant Esri Server Software installation(s) for failover operations, but the redundant Software can only be operational during the period the primary site is nonoperational. The redundant Software installation(s) shall remain dormant, except for system maintenance and updating of databases, while the primary site or any other redundant site is operational.
32. Redundant Software installation for failover operations is not permitted.

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33–37. Reserved.

38. The ArcGIS 3D Analyst for Server extension included with ArcGIS for Server Standard (Workgroup or Enterprise) may be used only for generating globe data cache(s) or publishing a globe document as an ArcGIS Globe Service. No other use of the ArcGIS 3D Analyst for Server extension Software is permitted with ArcGIS for Server Standard.
39. Any editing functionality included with ArcGIS for Server is not permitted for use with ArcGIS for Server Basic (Workgroup or Enterprise).

40–46. Reserved.

47. Licensee may develop and distribute Value-Added Applications that use Esri File Geodatabase API to Licensee's end users.

48–53. Reserved.

54. ArcGIS for Windows Mobile Deployments are licensed for use with ArcGIS for Server Enterprise (Advanced or Standard), ArcGIS for Server Workgroup (Advanced), ArcGIS for Desktop (Advanced, Standard, Basic), and ArcGIS Engine Value-Added Applications.

55–63. Reserved.

64. Value-Added Application(s) for web deployment must be used in conjunction with other Esri Product(s). Third-party technologies may also be used in conjunction with Value-Added Application(s) as long as the Value-Added Application(s) is always used in conjunction with other Esri Product(s).
65. Reserved.
66. For desktop applications, each license is per organization. For the purposes of this license, *organization* is equivalent to a principal registered unique domain identifier. *Domain* is the Internet domain name registered with a domain name registrar. For instance, in example.com, example.com is the registered unique domain identifier. Similarly, in example.com.xx, where xx is a registered country code, example.com.xx is the registered unique domain identifier. Desktop applications can be used by any employee of the organization with the principal registered unique domain identifier. There is no limit to the number of applications that can be built and deployed within an organization.

ADDENDUM 2
DATA TERMS OF USE
(E300-2)

This Data Terms of Use Addendum ("Addendum 2") sets forth the terms of Licensee's use of Data and includes Licensee's existing master license agreement, if any, or the License Agreement found at http://www.esri.com/legal/software-license (as applicable, the "License Agreement"), which is incorporated by reference. This Addendum 2 takes precedence over conflicting General License Terms and Conditions of the License Agreement. Esri reserves the right to modify the Data terms of use referenced below at any time. For Data licensed through a subscription, Licensee may cancel the subscription upon written notice to Esri or discontinue use of the Data, as applicable. If Licensee continues to use the Data, Licensee will be deemed to have accepted the modification. Data terms of use are set forth in the notes referenced below:

SECTION 1—GENERAL RESTRICTIONS ON USE OF DATA

In addition to the restrictions set forth in Article 4.2 of the License Agreement, the following restrictions apply to use of Data by Licensee and Licensee's end users (collectively, "Users"). Any use of Data that is not expressly authorized in Section 2 or elsewhere in the License Agreement is strictly prohibited. Without limiting the generality of the foregoing, Licensee shall ensure Users are prohibited from (i) cobranding Data, (ii) using the Data in any unauthorized service or product, or (iii) offering Data through or on behalf of any third party.

SECTION 2—SPECIFIC TERMS OF USE FOR DATA

The following table is a list of Esri Products that have specific terms of use in addition to the general terms of use as set forth in the General License Terms and Conditions of the License Agreement. Additional terms of use are listed immediately below this table and are referenced by number(s), shown in parenthesis, immediately following each Product name in the following table:

▪ ArcGIS Online Data (1) ▪ StreetMap Premium for ArcGIS (2) ▪ StreetMap for Windows Mobile (2) ▪ StreetMap for ArcPad (2) ▪ StreetMap Premium for ArcGIS for Transportation Analytics (2; Addendum 1, Note 1) ▪ HERE Traffic Data (11; Addendum 1, Note 1) ▪ Data Appliance for ArcGIS (3)	▪ Business Analyst Data (4, 10) ▪ Demographic, Consumer, and Business Data ("Esri Data") (5, 10) ▪ Data and Maps for ArcGIS (6) ▪ Esri MapStudio Data (9)

Notes:

- If you do not license any of the Products in the table above, these additional terms of use do not apply to you.
- Additional terms of use for Products ONLY APPLY to the Products that reference them, by number, in the table above.

Additional Terms of Use for Products listed above:

1. *ArcGIS Online Data:* Software and Online Services that reference this note enable access to ArcGIS Online Data. ArcGIS Online Data is provided for use solely in conjunction with Licensee's authorized use of Esri Software and Online Services. Use of ArcGIS Online Data that is accessible through non-fee-based ArcGIS Online accounts may be subject to usage limits.

   ArcGIS Online Basemap Data:

   a. ArcGIS Online basemap data can be taken offline through Esri Content Packages and subsequently delivered (transferred) to any device for use exclusively with licensed Esri Client Software.
   b. ArcGIS Online basemap data is subject to an aggregate limit of fifty million (50,000,000) transactions during any twelve (12)-month period. Transactions include both basemap and geosearch Transactions. "Transaction" is defined in the Documentation at ArcGIS Resources at http://links.esri.com/agol/transactiondef.

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Licensee may use Data accessed through ArcGIS Online as permitted under the terms of the URLs referenced below:

a. HERE data is subject to the terms of use at http://www.esri.com/supplierterms-HERE.
b. Tele Atlas/TomTom data is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9792-teleatlas_use_data.pdf.
c. Data from i-cubed is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9946-icubed.pdf.
d. Microsoft Bing Maps data is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/e-802-bing-mapsvcs.pdf.
e. BODC bathymetry data is subject to the terms of use found at http://www.esri.com/terms-of-use-bodc.
f. MB-Research GmbH (MBR) Data: Users are prohibited from (i) using MBR Data, including, without limitation, European demographic data, consumer demand data, and postal and geographic boundaries, for the purpose of compiling, enhancing, verifying, supplementing, adding to, or deleting from any database or other compilation of information that is sold, rented, published, furnished, or in any manner provided to a third party or (ii) modifying or otherwise altering MBR Data without MBR's prior written consent, such consent to be granted or withheld at MBR's sole discretion.
g. D&B Data: May not be used for direct mailing or direct marketing purposes.

2. *StreetMap Premium for ArcGIS: StreetMap for ArcGIS for Windows Mobile; StreetMap for ArcPad; StreetMap Premium for ArcGIS for Transportation Analytics:* These Products, collectively referred to as "StreetMap Data," may be used for mapping, geocoding, and point-to-point routing purposes but are not licensed for dynamic, real-time routing guidance. For instance, StreetMap Data may not be used to alert a user about upcoming maneuvers (such as warning of an upcoming turn) or to calculate an alternate route if a turn is missed. StreetMap Data may not be used to perform synchronized multivehicle routing or route optimization. StreetMap Data acquired for use with ArcGIS for Desktop, ArcGIS for Server, ArcPad, or ArcGIS for Transportation Analytics may only be used with the Product for which the StreetMap Data was acquired, and may not be used with any other Product. StreetMap for Windows Mobile Data is licensed for use solely on mobile devices or in conjunction with ArcGIS for Mobile applications. StreetMap Data may include data from either of the following sources:

a. HERE data is subject to the terms of use at http://www.esri.com/supplierterms-HERE. HERE data, when licensed for use in StreetMap Premium for ArcGIS for Transportation Analytics, permits tracking, synchronized multivehicle routing, and route optimization.
b. Tele Atlas/TomTom data is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9792-teleatlas_use_data.pdf.

3. *Data Appliance for ArcGIS:* Data provided with Data Appliance is subject to the following additional terms of use:

a. HERE data is subject to the terms of use at http://www.esri.com/supplierterms-HERE.
b. Tele Atlas/TomTom data is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9792-teleatlas_use_data.pdf.
c. Data from i-cubed is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9946-icubed.pdf.
d. BODC bathymetry data is subject to the terms of use found at http://www.esri.com/terms-of-use-bodc.

4. *Business Analyst Data:* Business Analyst Data is provided with Esri Business Analyst (Server, Desktop). The Data is subject to the following additional terms of use:

a. The Data is provided for Licensee's internal business use solely in connection with Licensee's authorized use of Software. Subject to Addendum 2, Note 10, Business Analyst Data, including derivative products (e.g., geocodes), are restricted for use only in conjunction with the respective Business Analyst extension. If Licensee orders a license for Esri Business Analyst or Business Analyst (Canadian Edition) with a subset of the national dataset (i.e., Region, State, Local), Licensee may use only the licensed subset, not any other portion of the national dataset.
b. Business Analyst Data provided with Business Analyst for Server may not be cached or downloaded by client applications and devices.

c. Infogroup data is subject to the following terms of use: "Users" means end users of Esri Software. Any use of the Infogroup database not expressly authorized in this License Agreement is strictly prohibited. Without limiting the generality of the foregoing, Users are expressly prohibited from (i) sublicensing or reselling the Infogroup database; (ii) using or allowing third parties to use the Infogroup database for the purpose of compiling, enhancing, verifying, supplementing, adding to, or deleting from any mailing list, geographic or trade directories, business directories, classified directories, classified advertising, or other compilation of information that is sold, rented, published, furnished, or in any manner provided to a third party; (iii) using the Infogroup database in any service or product not specifically authorized in this License Agreement or offering it through any third party; (iv) disassembling, decompiling, reverse engineering, modifying, or otherwise altering the Infogroup database or any part thereof without Infogroup's prior written consent, such consent to be granted or withheld at Infogroup's sole discretion; or (v) using the Infogroup database for any direct marketing purposes.
d. HERE data is subject to the terms of use at http://www.esri.com/supplierterms-HERE.
e. Tele Atlas/TomTom data is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9792-teleatlas_use_data.pdf.
f. MBR Data: Users are prohibited from (i) using MBR Data, including, without limitation, European demographic data, consumer demand data, and postal and geographic boundaries, for the purpose of compiling, enhancing, verifying, supplementing, adding to, or deleting from any database or other compilation of information that is sold, rented, published, furnished, or in any manner provided to a third party or (ii) modifying, or otherwise altering MBR Data without MBR's prior written consent, such consent to be granted or withheld at MBR's sole discretion.
g. D&B Data: May not be used for direct mailing or direct marketing purposes.

5. *Demographic, Consumer, and Business Data ("Esri Data"):* This Data category includes the Updated Demographic Database, Census Data, American Community Survey (ACS) Data, Consumer Spending, Business, Retail MarketPlace, Tapestry Segmentation, Market Potential, Crime Index, Major Shopping Center, Traffic Count, and Banking datasets. Esri Data may be used independently of Software or Online Services. Each dataset is available under one or more of the following license types:

   - **Single Use:** Permits access by a single user to access the data for development or internal use on a desktop computer or server. No Internet access is permitted.
   - **Internal Site/Server—Known User:** Permits access by named (known) users for Licensee's internal use. Web access by those named users is permitted.
   - **Public website (noncommercial)—Constituent-Served Model:** Permits a municipal government Licensee to use the Data in an externally facing Value-Added Application serving a defined population, provided Licensee does not generate revenue from such use.
   - **Public website (commercial) Known User:** Permits Licensee to use the Data in an externally facing Value-Added Application for use by named users and to generate revenue from such Value-Added Application.
   - **Public website (commercial) Anonymous User:** Permits Licensee to use the Data in an externally facing Value-Added Application for general use and to generate revenue from such Value-Added Application.

6. *Data and Maps for ArcGIS:* The Data is available to licensed users of ArcGIS for Desktop, ArcGIS for Server, and ArcGIS Online. Data and Maps for ArcGIS is provided for use solely in conjunction with authorized use of ArcGIS for Desktop, ArcGIS for Server, and ArcGIS Online.

   a. Licensee may redistribute the Data as described in the Redistribution Rights Matrix available at http://www.esri.com/legal/redistribution-rights, in the Help system, or in supporting metadata files, subject to the specific attribution descriptions and requirements for the dataset accessed.
   b. StreetMap Data may be used for mapping, geocoding, and routing purposes but is not licensed for dynamic routing purposes. For instance, StreetMap USA may not be used to alert a user about upcoming maneuvers (such as warning of an upcoming turn) or to calculate an alternate route if a turn is missed.

7. Reserved.
8. Reserved.

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9. *MapStudio Data:* Use of this Data is subject to the following terms and conditions:

    a. HERE data is subject to the terms of use at http://www.esri.com/supplierterms-HERE.
    b. Tele Atlas/TomTom data is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9792-teleatlas_use_data.pdf.
    c. Data from i-cubed is subject to the terms of use at http://www.esri.com/~/media/Files/Pdfs/legal/pdfs/j9946-icubed.pdf.
    d. D&B Data: May not be used for direct mailing or direct marketing purposes.

10. Licensee may include Data in hard-copy or read-only format ("Outputs") in presentation packages, marketing studies, or other reports or documents prepared for third parties. Licensee shall not resell or otherwise externally distribute Outputs in stand-alone form.
11. *ArcGIS for Transportation Analytics—HERE traffic data option:* This online data service is available as an option for use exclusively with ArcGIS for Transportation Analytics. Use of this data is subject to the following terms and conditions:

    a. HERE traffic data is subject to the terms of use at http://www.esri.com/supplierterms-HERE.
    b. No automatic routing or rerouting based on traffic conditions is permitted without the Navigation add-on.
    c. HERE traffic data may not be archived and may be delivered only for end users' personal, near-term use, not to exceed one (1) twenty-four (24)-hour period.
    d. HERE traffic data may not be used to display or broadcast in any FM/AM/HD radio broadcast or television broadcast **or through any RDS delivery method**.
    e. HERE traffic data may not be used with or incorporated into any traffic system that provides voice traffic reports to inbound callers.
    f. HERE traffic data may not be used to develop or commercially make available a text-to-voice e-mail alert or message or voice mail application using any portion of HERE traffic data.

ADDENDUM 3
ONLINE SERVICES ADDENDUM
(E300-3)

This Online Services Addendum ("Addendum 3") sets forth the terms of Licensee's use of Online Services and includes the Licensee's existing master license agreement, if any, or the License Agreement found at http://www.esri.com/legal/software-license (as applicable, the "License Agreement"), which is incorporated by reference. This Addendum 3 takes precedence over conflicting General License Terms and Conditions of the License Agreement. Esri reserves the right to update the terms from time to time. Section 1 of this Addendum 3 contains terms applicable to all Online Services; Section 2 contains common terms applicable to specific Online Services.

SECTION 1—COMMON TERMS OF USE OF ONLINE SERVICES

ARTICLE 1—DEFINITIONS

In addition to the definitions provided in the License Agreement, the following definitions apply to this Addendum 3:

a. "Anonymous Users" refers to anyone who has public access to any part of the Licensee's Content or Value-Added Applications, which Licensee has published through the use of the Sharing Tools, included with Licensee's licensed use of the Software or Online Services, as further described in Section 2 of this Addendum.
b. "API" means application programming interface.
c. "App Login Credential" means a system-generated application login and associated password, provided by registering a Value-Added Application with ArcGIS Online, which can be embedded in a Value-Added Application to enable the Value-Added Application to access and use Online Services.
d. "ArcGIS Website" means http://www.arcgis.com and any related or successor websites.
e. "Content" means data, images, photographs, animations, video, audio, text, maps, databases, data models, spreadsheets, user interfaces, software applications, and Developer Tools.
f. "Developer Tools" means software development kits (SDKs), APIs, software libraries, code samples, and other resources.
g. "Licensee's Content" means any Content that Licensee, a Licensee's Named User, or any other user submits to Esri in connection with Licensee's use of the Online Services, any results derived from the use of Licensee's Content with Online Services, and any Value-Added Applications Licensee builds with Developer Tools and deploys with Online Services. Licensee's Content excludes any feedback, suggestions, or requests for Product improvements that Licensee provides to Esri.
h. "Named User(s)" means individuals to whom Licensee specifically enables private access to Online Services and Value-Added Applications through Licensee's Online Services account. Named Users can be anyone whom Licensee authorizes to access Online Services, but only for the exclusive benefit of Licensee, for example, Licensee's employees, agents, consultants, or contractors. For Education Plan accounts, Named Users may include registered students. No other third parties may be Named Users. Named Users have private access to features of Online Services that are not publicly accessible to Anonymous Users. Named Users have unique, individual login credentials.
i. "Online Content" means Content hosted or provided by Esri as part of Online Services, including any Map Services, Task Services, Image Services, and Developer Tools and excluding Content provided by third parties that Licensee accesses through Online Services.
j. "Service Components" means each of the following: Online Services, Online Content, ArcGIS Website, Developer Tools, Documentation, or related materials.
k. "Sharing Tools" means publishing capabilities included with Online Services and ArcGIS Website that allow Licensee to make Licensee's Content and Value-Added Applications available to third parties and/or Anonymous Users.
l. "Value-Added Application" means an application developed by Licensee for use in conjunction with the authorized use of any Software, Data, or Online Services.
m. "Web Services" as used under Licensee's existing signed license agreement, if any, means Online Services and any Content delivered by such Online Services.

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ARTICLE 2—USE OF ONLINE SERVICES

2.1 License to Online Services. Esri grants Licensee a personal, nonexclusive, nontransferable, worldwide license to access and use Online Services as set forth in the applicable Ordering Documents (i) for which the applicable license fees have been paid (if required), (ii) for Licensee's own internal use by Licensee and Licensee's Named Users or Anonymous Users (if applicable), and (iii) in accordance with this License Agreement and the licensed configuration on file as authorized by Esri.

2.2 Provision of Subscription Online Services. For subscription Online Services, Esri will

a. Provide Online Services to Licensee in accordance with the Documentation;
b. Provide customer support in accordance with Esri's standard customer support policies and any additional support Licensee may purchase; and
c. Use commercially reasonable efforts to ensure that Online Services will not transmit to Licensee any Malicious Code, provided Esri is not responsible for Malicious Code that was introduced to Online Services through Licensee's account or through third-party Content.

2.3 Licensee's Responsibilities.

a. Licensee shall be responsible for Named Users' compliance with this Agreement. Licensee and Licensee's Named Users or Anonymous Users (if applicable) are the only persons authorized to access Online Services through Licensee's accounts. Named Users' login credentials are for designated Named Users only and may not be shared among multiple individuals. Named Users' login credentials may be reassigned to new Named Users if the former users no longer require access to Online Services.
b. Licensee and Licensee's Named Users are responsible for maintaining the confidentiality of Authorization Codes, Access Codes, Named Users' login credentials, or any other method that is provided that enables access to Online Services and for ensuring that unauthorized third parties do not access Licensee's account. Licensee will immediately notify Esri if Licensee becomes aware of any unauthorized use of Licensee's account or any other breach of security.
c. Licensee is solely responsible for the development and operation of Licensee's Content and Value-Added Applications and the manner in which it chooses to allow or provide use, access, transfer, transmission, maintenance, or processing ability to or by others, including any use and access to Products, and any subsequent end user, end use, and destination restrictions issued by the US government and other governments.

2.4 Prohibited Uses of the Online Services. In addition to the prohibited uses or except as provided under the License Agreement, Licensee shall not (i) attempt to gain unauthorized access to the Online Services or assist others to do so; (ii) use Online Services for spamming, to transmit junk e-mail or offensive or defamatory material, or for stalking or making threats of physical harm; (iii) use Online Services to store or transmit software viruses, worms, time bombs, Trojan horses, or any other computer code, files, or programs designed to interrupt, destroy, or limit the functionality of any computer software, hardware, or telecommunications equipment ("Malicious Code"); (iv) mirror, reformat, or display Online Services in an attempt to mirror and/or make commercial use of Online Services except to the degree that Online Services directly enable such functionality; (v) share the client-side data cache derived from Online Content with other licensed end users or third parties; (vi) distribute the client-side data cache derived from Online Services to third parties; (vii) manually or systematically collect or scrape (screen or web scraping) Content from Online Services; (viii) use ArcGIS Online Map Services, Geocoding Services, or Routing Services in communication with any in-vehicle navigation system installed in a vehicle (this does not include portable navigation devices) or that provides real-time, dynamic routing to any device (for instance, these services may not be used to alert a user about upcoming maneuvers such as warning of an upcoming turn or to calculate an alternate route if a turn is missed); or (ix) incorporate any portion of Online Services into a commercial product or service unless the commercial product adds material functionality to Online Services. Licensee shall not use Online Services to (a) infringe or misappropriate any third-party proprietary rights or privacy rights; (b) process, store, transmit, or enable access to any information, data, or technology controlled for export under the International Traffic in Arms (ITAR) regulations; (c) violate any export law; or (d) store or process Content online that is unclassified controlled technical information (UCTI) under DFARS 204.73, or is protected health information (PHI) under the Health Insurance Portability and Accountability Act (HIPAA). Licensee shall not attempt to (a) probe, scan, or test the vulnerability of the Online Services or to breach any security or authentication measures used by the Online Services; or (b) benchmark the availability, performance, or functionality of Online Services for competitive purposes. Licensee is responsible for any fines, penalties, or claims against Esri, including reasonable attorneys' fees, arising out of Licensee's noncompliance with any of the foregoing prohibitions.

2.5 Evaluations. Esri may provide licenses to use certain Services for Licensee's internal evaluation purposes. Such licenses continue until the stated evaluation period expires or until Licensee purchases a subscription, whichever occurs first. IF LICENSEE DOES NOT CONVERT LICENSEE'S EVALUATION LICENSE TO A SUBSCRIPTION PRIOR TO EXPIRATION OF THE EVALUATION TERM, ANY CONTENT AND CUSTOMIZATIONS THAT LICENSEE UPLOADED OR MADE DURING THE EVALUATION TERM WILL BE PERMANENTLY LOST. IF LICENSEE DOES NOT WISH TO PURCHASE A SUBSCRIPTION, LICENSEE MUST EXPORT SUCH CONTENT BEFORE THE END OF LICENSEE'S EVALUATION PERIOD.

2.6 Modifications of Online Services. Esri reserves the right to alter or modify Online Service(s) and related APIs at any time. If reasonable under the circumstances, Esri will provide thirty (30) days' prior notice of any material alterations.

2.7 Discontinuation or Deprecation of Online Services. Esri reserves the right to discontinue or deprecate an Online Service(s) and related API(s) at any time. If reasonable under the circumstances, Esri will provide ninety (90) days' prior notice of any Online Service discontinuation or deprecation. Esri will attempt to support any deprecated APIs for up to six (6) months, unless there are legal, financial, or technological reasons not to support them.

2.8 If any modification, discontinuation, or deprecation of Online Service(s) causes a material, adverse impact to Licensee's operations, Esri may at its sole discretion attempt to repair, correct, or provide a workaround for Online Services. If a viable solution is not commercially reasonable, Licensee may cancel its subscription to Online Services, and Esri will issue a prorated refund.

2.9 Attributions. Licensee is not permitted to remove any Esri or Esri's licensors' logos or other attribution associated with any use of ArcGIS Online Services.

ARTICLE 3—TERM AND TERMINATION

The following supplements Article 5—Term and Termination of the License Agreement:

3.1 Term of Subscriptions. The term of any subscription will be provided in the Ordering Document under which it is purchased or in the Online Services description referenced therein.

3.2 Subscription Rate Changes. Monthly subscription rates may be increased upon thirty (30) days' notice. Esri may increase rates for subscriptions with a term greater than one (1) month by notifying Licensee at least sixty (60) days prior to expiration of the then-current subscription term.

3.3 Service Interruption. Licensee's access (including access on behalf of Licensee's customers) to and use of Online Service(s) may be temporarily unavailable, without prior notice, for any unanticipated or unscheduled downtime or unavailability of all or any portion of Online Services, including system failure or other events beyond the reasonable control of Esri.

3.4 Service Suspension. Esri shall be entitled, without any liability to Licensee, to suspend access to any portion or all of Online Services at any time on a service-wide basis (a) if Licensee breaches the License Agreement; (b) if Licensee exceeds usage limits and fails to purchase additional license capacity sufficient to support Licensee's continued use of Online Services as described in Article 5 of this Addendum; (c) if there is reason to believe that Licensee's use of Online Service(s) will adversely affect the integrity, functionality, or usability of the Online Service(s); (d) if Esri and its licensors may incur liability by not suspending Licensee's account; (e) for scheduled downtime to conduct maintenance or make modifications to Online Service(s); (f) in the event of a threat or attack on Online Service(s) (including a denial-of-service attack) or other event that may create a risk to the applicable part of Online Services; or (g) in the event that Esri determines that Online Services (or portions thereof) are prohibited by law or otherwise that it is necessary or prudent to do so for legal or regulatory reasons. If feasible under these circumstances, Licensee will be notified of any Service Suspension beforehand and allowed reasonable opportunity to take remedial action.

3.5 Esri is not responsible for any damage, liabilities, losses (including any loss of data or profits), or any other consequences that Licensee or any Licensee customer may incur as a result of any Service Interruption or Service Suspension.

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ARTICLE 4—LICENSEE'S CONTENT, FEEDBACK

4.1 Licensee's Content. Licensee retains all right, title, and interest in Licensee's Content. Licensee hereby grants Esri and Esri's licensors a nonexclusive, nontransferable, worldwide right to host, run, and reproduce Licensee's Content solely for the purpose of enabling Licensee's use of Online Services. Without Licensee's permission, Esri will not access, use, or disclose Licensee's Content except as reasonably necessary to support Licensee's use of Online Services, respond to Licensee's requests for customer support, or troubleshoot Licensee's account or for any other purpose authorized by Licensee in writing. If Licensee accesses Online Services with an application provided by a third party, Esri may disclose Licensee's Content to such third party as necessary to enable interoperation between the application, Online Services, and Licensee's Content. Esri may disclose Licensee's Content if required to do so by law or pursuant to the order of a court or other government body, in which case Esri will reasonably attempt to limit the scope of disclosure. It is Licensee's sole responsibility to ensure that Licensee's Content is suitable for use with Online Services and for maintaining regular offline backups using the Online Services export and download capabilities.

4.2 Removal of Licensee's Content. Licensee will provide information and/or other materials related to Licensee's Content as reasonably requested by Esri to verify Licensee's compliance with this License Agreement. Esri may remove or delete any portions of Licensee's Content if there is reason to believe that uploading it to, or using it with, Online Services violates this License Agreement. If reasonable under these circumstances, Esri will notify Licensee before Licensee's Content is removed. Esri will respond to any Digital Millennium Copyright Act take-down notices in accordance with Esri's Copyright Policy, available at http://www.esri.com/legal/dmca_policy.

4.3 Sharing Licensee's Content. If Licensee elects to share Licensee's Content using Sharing Tools, then Licensee acknowledges that it has enabled third parties to use, store, cache, copy, reproduce, (re)distribute, and (re)transmit Licensee's Content through Online Services. ESRI IS NOT RESPONSIBLE FOR ANY LOSS, DELETION, MODIFICATION, OR DISCLOSURE OF LICENSEE'S CONTENT RESULTING FROM USE OR MISUSE OF SHARING TOOLS OR ANY OTHER SERVICE COMPONENTS. LICENSEE'S USE OF SHARING TOOLS IS AT LICENSEE'S SOLE RISK.

4.4 Retrieving Licensee's Content upon Termination. Upon termination of the License Agreement or any trial, evaluation, or subscription, Esri will make Licensee's Content available to Licensee for download for a period of thirty (30) days unless Licensee requests a shorter window of availability or Esri is legally prohibited from doing so. Thereafter, Licensee's right to access or use Licensee's Content with Online Services will end, and Esri will have no further obligations to store or return Licensee's Content.

ARTICLE 5—LIMITS ON USE OF ONLINE SERVICES; SERVICE CREDITS

Esri may establish limits on the Online Services available to Licensee. These limits may be controlled through Service Credits. Service Credits are used to measure the consumption of ArcGIS Online services made available through Licensee's account. The maximum Service Credits provided with Licensee's ArcGIS Online account will be addressed in the applicable Ordering Document. Esri will notify Licensee's account administrator when Licensee's Service Credit consumption reaches approximately seventy-five percent (75%) of the Service Credits allocated to Licensee through Licensee's subscription. Esri will notify Licensee's account administrator if Licensee's Service Credit consumption reaches or exceeds one hundred percent (100%). If Licensee's account exceeds one hundred percent (100%) of the available Service Credits, Licensee may continue to access its account; however, Licensee's access to services that consume Service Credits will be suspended. Licensee's access to the services that consume Service Credits will be restored immediately upon the completion of Licensee's purchase of additional Service Credits.

ARTICLE 6—ONLINE CONTENT; THIRD-PARTY CONTENT AND WEBSITES

6.1 Online Content. ArcGIS Online Data is included as a component of Online Services and is licensed under the terms of the License Agreement.

6.2 Third-Party Content and Websites. Online Services and ArcGIS Website may reference or link to third-party websites or enable Licensee to access, view, use, and download third-party Content. This Agreement does not address Licensee's use of third-party Content, and Licensee may be required to agree to different or additional terms in order to use third-party Content. Esri does not control these websites and is not responsible for their operation, content, or availability; Licensee's use of any third-party websites and third-party Content is *as is*, without warranty, and at Licensee's sole risk. The presence of any links or references in Online Services to third-party websites and resources does not imply an endorsement, affiliation, or sponsorship of any kind.

SECTION 2—TERMS OF USE FOR SPECIFIC ONLINE SERVICES

The following table is a list of Esri Products that have specific terms of use in addition to the general terms of use as set forth in the General License Terms and Conditions of the License Agreement. Additional terms of use are listed immediately below this table and are referenced by number(s), shown in parentheses, immediately following each Product name in the following table (in some cases, the additional terms of use referenced may be found in a separate Addendum, as noted):

▪ ArcGIS Online (1; 2; Addendum 2, Note 1; Addendum 2, Note 6) ▪ Esri Business Analyst Online (3; Addendum 2, Note 1) ▪ Esri Business Analyst Online Mobile (3; Addendum 2, Note 1) ▪ Esri Community Analyst (3; Addendum 2, Note 1)	▪ Esri Redistricting Online (Addendum 2, Note 1) ▪ Esri MapStudio (4; Addendum 2, Note 1; Addendum 2, Note 9)

Notes:

- If you do not license any of the Products in the table above, these additional terms of use do not apply to you.
- Additional terms of use for Products ONLY APPLY to the Products that reference them by number in the table above.

Additional Terms of Use for Products listed above:

1. In addition to the common terms of use of Online Services:

    a. Licensee may use Licensee's Esri Online Services account to build a Value-Added Application(s) for Licensee's internal use.

    b. Licensee may also provide access to Licensee's Value-Added Application(s) to third parties, subject to the following terms:

        i. Licensee may allow Anonymous Users to access Licensee's Value-Added Application(s).
        ii. Licensee shall not add third parties as Named Users to Licensee's ArcGIS Online account for the purpose of allowing third parties to access Licensee's Value-Added Application(s). This restriction does not apply to third parties included within the definition of Named Users.
        iii. Licensee shall not provide a third party with access to ArcGIS Online Services enabled through Licensee's ArcGIS Online account other than through Licensee's Value-Added Application(s). This restriction does not apply to third parties included within the definition of Named Users.
        iv. Licensee is responsible for any fees accrued through the use of Licensee's ArcGIS Online account by third parties accessing Licensee's Value-Added Application(s). This includes Service Credits required to support third-party Online Services usage and any additional subscription fees for Online Services as required.
        v. Licensee is solely responsible for providing technical support for Licensee's Value-Added Application(s).
        vi. Licensee will restrict third-party use of Online Services as required by the terms of this Agreement.
        vii. Licensee may not remove or obscure any trademarks or logos that would normally be displayed through the use of the Online Services without written permission. Licensee must include attribution acknowledging that its application is using Online Services provided by Esri, if attribution is not automatically displayed through the use of Online Services. Guidelines are provided in the Documentation.
        viii. Licensee may not embed a Named User credential into a Value-Added Application. For ArcGIS Online for Organizations, Education, and Nongovernmental Organization/Nonprofit Organization (NGO/NPO) Plan accounts, an App Login Credential may only be embedded into Value-Added Applications that are used to provide public, anonymous access to ArcGIS Online. Licensee may not embed or use ArcGIS Online App Login Credentials in Value-Added Applications for internal use. Value-Added Applications used internally require Named User login credentials.

c. For ArcGIS Online ELA, ArcGIS Online for Organizations, and paid Developer Plan accounts:

   i. Licensee is also permitted to

      (1) Charge an additional fee to third parties to access Licensee's Value-Added Application(s), subject to the terms of this License Agreement; and
      (2) Transfer Licensee's Value-Added Application(s) to a third party's ArcGIS Online account, subject to the following:

         (a) Licensee may charge third parties a fee for Licensee's Value-Added Application(s).
         (b) Licensee is not obligated to provide technical support for the third party's general use of its ArcGIS Online account not related to Licensee's Value-Added Application(s).
         (c) Licensee is not responsible for any fees accrued through the third party's use of Licensee's Value-Added Application(s) that have been transferred to or implemented on the third party's ArcGIS Online account.
         (d) Licensee is not permitted to invite licensees of an ArcGIS Online Public Plan to participate in private groups. This restriction also applies to licensees of Education Plan accounts and NGO/NPO Plan accounts.

d. For ArcGIS Online Public Plan accounts, Development and Testing Plan accounts, Education Plan accounts, and NGO/NPO use of ArcGIS Online for Organizations accounts: Licensee is not permitted to charge an additional fee to third parties to access Licensee's Value-Added Application(s) or generate more than incidental advertising revenue as a consequence of the deployment or use of the Value-Added Application(s). Charging a fee to access Licensee's Value-Added Application(s) or generating more than incidental advertising revenue requires an ArcGIS Online ELA, ArcGIS Online for Organizations, or paid Developer Plan account.

e. For ArcGIS Online Public Plan accounts:

   i. Public Plan accounts are licensed for the personal use of an individual. Any use of Public Plan accounts by an individual for the benefit of a for-profit business or a government agency is prohibited.

      - This restriction does not apply to educational institutions when used for teaching purposes only, qualified NGO/NPO organizations, and press or media organizations. Individuals affiliated with these specific types of organization are permitted to use ArcGIS Online Public Plan accounts for the benefit of their affiliated organization(s).

   ii. Public Plan account Licensees are not permitted to create private groups or participate in any private group created by licensees of ArcGIS Online for Organizations, Education, NGO/NPO, or ELA Plans.

f. For ArcGIS Online Development and Testing Plan accounts:

   i. Subject to the terms of this License Agreement, Licensee is permitted to

      (1) Allow third parties to access Licensee's Value-Added Application(s) powered by their Development and Testing Plan account, but only if the Value-Added Application(s) is published for public access and is not used for the benefit of a for-profit business or government agency.

         - This restriction does not apply to educational institutions when used for teaching purposes only, qualified NGO/NPO organizations, and press or media organizations. Individuals affiliated with these specific types of organizations are permitted to use ArcGIS Online Development and Testing Plan accounts for the benefit of their affiliated organization(s).

   ii. Development and Testing Plan account licensees are not permitted to create private groups or participate in any private group created by licensees of ArcGIS Online for Organizations, Education, NGO/NPO, or ELA Plans.

g. For ArcGIS Online paid Developer Plan accounts or Development and Testing Plan accounts:

   i. Licensee is limited to one million (1,000,000) basemap and one million (1,000,000) geosearch Transactions per month in conjunction with Licensee's account. "Transaction" is defined in the Documentation at ArcGIS Resources at http://links.esri.com/agol/transactiondef.

h. Licensee is not permitted to be the licensee of an ArcGIS Online account for or on behalf of a third party.

   - This restriction does not apply to education institutions that are permitted to be licensees of ArcGIS Online Public Plan accounts on behalf of registered students of the education institution for teaching purposes only. Education institutions are also permitted to provide access to a single ArcGIS Online Public Plan account to more than one (1) registered student when used for teaching purposes only.

i. The terms "Online ELA account," "Organizations Plan account," "Developer Plan account," "Public Plan account," "Development and Testing Plan account," and "Education Plan account" refer to different types of ArcGIS Online accounts.

2. Terms of Use for ArcGIS Online Services:

   a. World Geocoding Service: Licensee may not store the geocoded results generated by the service without an ArcGIS Online account.
   b. Infographics Service: Licensee may use the data accessible through this service for display purposes only. Licensee is prohibited from saving any data accessible through this service.

3. Licensee may not display or post any combination of more than one hundred (100) Esri Business Analyst Online or Esri Community Analyst Reports and maps on Licensee's external websites.
4. Licensee may create, publicly display, and distribute maps in hard copy and static electronic format for news-reporting purposes, subject to any restrictions for ArcGIS Online Data set forth in Addendum 2, Note 1.

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 A THREE (3) YEAR SOFTWARE AGREEMENT WITH ESRI, INC. AND ISSUE A PURCHASE ORDER FOR $27,250.00 FOR PROVIDING ANNUAL GEOGRAPHICAL INFORMATION SYSTEM SOFTWARE LICENSING AND MAINTENANCE SERVICES FOR FISCAL YEAR 2015-2016**

Chad Blais	**7/17/2015 10:18:17 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/22/2015 10:12:14 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/22/2015 4:35:03 PM**
CITY CONTROLLER	DATE
Johnny Ford	**7/18/2015 12:56:54 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.

July 28, 2015

TO: **MAYOR AND CITY COUNCIL MEMBERS**

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

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO GATEWAY CITIES COUNCIL OF GOVERNMENTS FOR THE PURPOSE OF PAYING THE ANNUAL MEMBERSHIP FEE, I-710 CORRIDOR ENVIRONMENTAL IMPACT REPORT/ENVIRONMENTAL IMPACT STATEMENT (EIR/EIS) REPORT AND SR-91/I-605/I-405 MAJOR CORRIDOR STUDY FEES FOR FISCAL YEAR 2015-2016 ($61,185.68)**

SUMMARY

This resolution authorizes the City Manager to issue a purchase order to Gateway Cities Council of Governments ("GCCOG") for the purpose of paying Annual Membership, I-710 Corridor Environmental Impact Report/Environmental Impact Statement (EIR/EIS) Report and SR- 91/I-605/I-405 Major Corridor Study fees for Fiscal Year 2015-2016.

BACKGROUND

I-710 Freeway

The mission of the GCCOG includes transportation planning for the sub-region, and advocating for maximum public sector funding for city and sub-regional projects. GCCOG adopted improvement of the I-710 freeway as one of its transportation priorities. The purpose and need for the study is to enumerated traffic congestion, safety, air quality, goods movement, design deficiencies, land use constraints, cost effectiveness, environmental justice, aesthetics, noise, and adequacy of public transit as issues requiring attention and public action in any transportation improvement plan for the corridor. GCCOG served as the advocate for the inclusion of impacted municipalities in the completion of the study.

In April 2008, GCCOG entered into a Memorandum of Understanding (MOU) with Caltrans, LACMTA and SCAG to establish a multi-jurisdictional structure to fund and govern the implementation of the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) to study the locally preferred strategy developed by the Major Corridor Study and alternative improvements to the I-710. The MOU establishes an I-710 EIR/EIS Project Committee and an I-710 Executive Committee, each of which provides for and depends upon the participation of local elected and appointed officers.

SR-91 and I-605 Freeway

The cities that comprise the GCCOG and are adjacent to the SR-91 and I-605 Freeway corridors have requested that the GCCOG prepare a proposal outlining their collective position on the modification and expansion of the corridors. The GCCOG has recommended that a Needs Assessment Study of the SR-91 and I-605 corridors be conducted. The Joint Exercise of Powers Agreement of the GCCOG provides that affected members may execute an Implementation Agreement for the purpose of authorizing the GCCOG to implement, manage and administer area-wide and regional programs in the interest of local public welfare.

STATEMENT OF THE ISSUE

In order for the City of Compton to continue to participate in providing input and feedback in relation to how the recommended studies impact the City to GCCOG, annual fees must be paid.

The invoices listed will be received annually until the projects are completed.

Annual Membership Dues	$ 9,500.00
Transportation Assessment	$ 7,890.21
MTA Staff Support	$ 3,795.47
Local Participation for SR-91/I-605/I-405 Major Corridor Study	$20,000.00
Local Participation in the I-710 Corridor EIR/EIS Report	$20,000.00
Grand Total	**$61,185.68**

FISCAL IMPACT

Funds to pay for membership and participation fees for the above invoices in an amount not to exceed **Sixty One Thousand One Hundred Eighty Five Dollars and Sixty Eight Cents ($61,186.68)** are available in Public Works Municipal Utilities Department's 2015-2016 Fiscal Year budget in Account No. 2502-710-000-4269.

ALTERNATIVES

The alternative is that the City of Compton would no longer be a part of the GCCOG and would not provide input with regards to the I-710 Corridor EIR/EIS Report and the SR-91/I-605/I-405 Major Corridor Study.

RECOMMENDATION

It is recommended that the City Council approve the attached Resolution authorizing the City Manager to issue a purchase order to Gateway Cities Council of Governments in the amount of $61,186.68.

GLEN W. C. KAU, P.E., DIRECTOR
PUBLIC WORKS AND MUNICIPAL UTILITIES

APPROVED FOR FORWARDING:

JOHNNY FORD
CITY MANAGER

JF:GK:RC

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO GATEWAY CITIES COUNCIL OF GOVERNMENTS FOR THE PURPOSE OF PAYING ANNUAL MEMBERSHIP, I-710 CORRIDOR ENVIRONMENTAL IMPACT REPORT/ENVIRONMENTAL IMPACT STATEMENT (EIR/EIS) REPORT AND SR-91/I-605/I-405 MAJOR CORRIDOR STUDY FEES FOR FISCAL YEAR 2015-2016 ($61,185.68)

WHEREAS, the mission of the Gateway Cities Council of Governments ("GCCOG") includes transportation planning for the sub-region, and advocating for maximum public sector funding for city and sub-regional projects; and

WHEREAS, in April 2008, GCCOG entered into a Memorandum of Understanding ("MOU") with Caltrans, LACMTA and SCAG to establish a multi-jurisdictional structure to fund and govern the implementation of the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) to study the locally preferred strategy developed by the Major Corridor Study and alternative improvements to the I-710; and

WHEREAS, the cities that comprise the GCCOG and are adjacent to the SR-91 and I-605 Freeway corridors have requested that the GCCOG prepare a proposal outlining their collective position on the modification and expansion of the corridors and the GCCOG has recommended that a Needs Assessment Study of the SR-91 and I-605 corridors be conducted; and

WHEREAS, in order for the City of Compton to continue to participate in providing input and feedback in relation to how the recommended studies impact the City to GCCOG, annual fees must be paid; and

WHEREAS, the Public Works Municipal Utilities Department has received the invoices from GCCOG for the annual fees applicable to the City of Compton for Fiscal Year 2015-2016, totaling $61,185.68; and

WHEREAS, funds to pay for these annual fees are available in Public Works Municipal Utilities Department's 2015-2016 Fiscal Year budget in Account No.2502-710-000-4269.

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 the Gateway Cities Council of Governments in the amount of Sixty One Thousand One Hundred Eighty Five Dollars and Sixty-Eight Cents ($61,185.68) for payment of Fiscal Year 2015-2016 annual fees:

Annual Membership Dues	$ 9,500.00
Transportation Assessment	$ 7,890.21
MTA Staff Support	$ 3,795.47
Local Participation for SR-91/I-605/I-405 Major Corridor Study	$20,000.00
Local Participation in the I-710 Corridor EIR/EIS Report	$20,000.00
Grand Total:	**$61,185.68**

SECTION 2. Funds for this expenditure are available in the Public Works Department's 2015-2016 Fiscal Year budget in Account No. 2502-710-000-4269 in the amount not to exceed $61,185.68.

#8.

SECTION 3. That a copy of this resolution shall be filed in the offices of the City Manager, City Controller, City Clerk and 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, 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: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO GATEWAY CITIES COUNCIL OF GOVERNMENTS FOR THE PURPOSE OF PAYING THE ANNUAL MEMBERSHIP FEE, I-710 CORRIDOR ENVIRONMENTAL IMPACT REPORT/ENVIRONMENTAL IMPACT STATEMENT (EIR/EIS) REPORT AND SR-91/I-605/I-405 MAJOR CORRIDOR STUDY FEES FOR FISCAL YEAR 2015-2016 ($61,185.68)**

Glen Kau	**7/16/2015 5:44:12 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/22/2015 10:38:02 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/22/2015 4:47:55 PM**
CITY CONTROLLER	DATE
Johnny Ford	**7/22/2015 11:11:54 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.

July 28, 2015

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: ALITA L. GODWIN, CMC
CITY CLERK

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH ALL STAR INTERPRETING SERVICE FOR PROVISION OF SPANISH LANGUAGE INTERPRETATION AND TRANSLATION SERVICES FOR CITY'S LEGISLATIVE BODIES FOR FISCAL YEAR 2015-2016 ($35,000)

SUMMARY

This Resolution will authorize the City Manager to enter into an agreement with All Star Interpreting Service ("All Star") to provide Spanish language translation and interpretation services for the public meetings of the City's legislative bodies for Fiscal Year 2015-2016 and issue a purchase order in the amount of $35,000.

BACKGROUND

The City Council conducts much of the City's business during its weekly public and televised meetings in the English language. A substantial portion of the City's population is Spanish speaking and the City believes that it is important for all residents of the City to understand and participate in the governance of the City, thus the need to provide interpretation and translation services for City Council meetings and other community meetings. The City conducts public meetings of its legislative bodies up to four (4) times monthly.

STATEMENT OF ISSUE

All Star has been providing translation and interpreting service for over twenty (20) years. All Star is a member of the American Translators Association, State and Federally Certified Interpreters and provide services for virtually every language.

All Star will provide professional Spanish language interpretation and translation services for all of the public meetings of the City's legislative bodies (i.e. City Council, Housing Development Commission, Public Finance Authority, Gaming Commission, Urban Community Development Commission and Successor

Agency), including regular, special and emergency meetings, which includes translation for the City's cable telecast of the aforementioned meetings. The contract with All Star will be for one (1) year (July 1, 2015 through June 30, 2016). The costs of services will remain at the rate of Seven Hundred Fifty Dollars ($750.00) per date of services rendered for the entire term of the agreement.

FISCAL IMPACT

The costs for services for Fiscal Year 2015-2016 is not to exceed Thirty Five Thousand Dollars ($35,000.00). Funds are available in Account No. 1001-47-0000-4262.

RECOMMENDATION

Staff recommends that Council approve the attached Resolution.

ALITA GODWIN, CMC
CITY CLERK

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH ALL STAR INTERPRETING SERVICE FOR PROVISION OF SPANISH LANGUAGE INTERPRETATION AND TRANSLATION SERVICES FOR CITY'S LEGISLATIVE BODIES FOR FISCAL YEAR 2015-2016 ($35,000)

WHEREAS, the City Council conducts much of the City's business during its weekly public and televised meetings in the English language; and

WHEREAS, a substantial portion of the City's population is Spanish speaking and the City believes that it is important for all residents of the City to understand and participate in the governance of the City, thus the need to provide interpretation and translation services for City Council meetings and other community meetings; and

WHEREAS, All Star Interpreting Service ("All Star") will provide professional Spanish language interpretation and translation services for all of the public meetings of the City's legislative bodies (i.e. City Council, Housing Development Commission, Public Finance Authority, Gaming Commission, Urban Community Development Commission and Successor Agency), including regular, special and emergency meetings, which includes translation for the City's cable telecast of the aforementioned meetings; and

WHEREAS, the contract with All Star will be for a term of one (1) year (July 1, 2015 through June 30, 2016) at a cost not to exceed Thirty Five Thousand Dollars ($35,000.00); and

WHEREAS, funds for this expenditure are available in Account No. 1001-47-0000-4262 of the 2015-2016 Fiscal Year budget.

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

Section 1. That the City Manager, upon the advice and approval of the City Attorney is authorized to enter into an agreement with All Star Interpreting Service to provide professional Spanish language interpretation and translation services for all of the public meetings of the City's legislative bodies (i.e. City Council, Housing Development Commission, Public Finance Authority, Gaming Commission, Urban Community Development Commission and Successor Agency), including regular, special and emergency meetings and translation for the City's cable telecast of the aforementioned meetings for Fiscal Year 2015-2016 in an amount not-to-exceed $35,000.00.

Section 2. That the term of the agreement shall be from July 1, 2015 through June 30, 2016.

Section 3. That funds for this expenditure are available in the 2015-2016 Fiscal Year budget in Account No. 1001 470 000 4262.

Section 4. That a purchase order in the amount of $35,000.00 is authorized to be issued.

Section 5. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Clerk, City Controller, and City Attorney.

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 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

INTERPRETATION AND TRANSLATION SERVICES AGREEMENT BETWEEN THE CITY OF COMPTON AND ALL STAR INTERPRETING SERVICE

This **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 **ALL STAR INTERPRETING SERVICE** (hereinafter referred to as **"ALL STAR"**), located at 1925 Vassar Avenue, Glendale, California 91204.

RECITALS:

WHEREAS, the City Council conducts much of the City's business during its weekly public and televised meetings in the English language; and

WHEREAS, a substantial portion of the City's population is Spanish speaking; and

WHEREAS, the City believes that it is important for all residents of the City to understand and participate in the governance of the City, thus the need to provide interpretation and translation services for City Council meetings and other community meetings; and

WHEREAS, All Star warrants 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 All Star to provide interpretation and translation services to the City; and

WHEREAS, All Star is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, All Star and **City,** for the consideration, terms and conditions herein described, mutually agree as follows:

AGREEMENT:

1. **Services to be rendered by All Star.** It is the mutual understanding of the parties that the All Star shall perform and be responsible for providing professional Spanish language interpretation and translation services for all of the public meetings of the City's legislative bodies (i.e. City Council, Housing Development Commission, Public Finance Authority, Gaming Commission, Urban Community Development Commission and Successor Agency), including regular, special and emergency meetings, which includes translation for the City's cable telecast of the aforementioned meeting. All Star shall be available for performance of services at the aforementioned public meetings of the City's legislative bodies commencing at 3:00 p.m. on any first (1st) and third (3rd) Tuesday and 5:00 p.m. on any second (2nd) and fourth (4th) Tuesday that a meeting(s) is scheduled, unless directed otherwise by the City Clerk's Office. For special and emergency meetings of the aforementioned legislative bodies, All Star shall be available upon twenty-four (24) hours advance notice of the date and time.

All Star acknowledges that in entering into this Agreement the City is relying on All Star's special skills and experience to do and perform the services in accordance with best standards of professional practice. While performing the services, All Star 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**.**

All Star services hereunder shall be performed in good, workmanlike and professional manner. All Star shall be responsible for correcting and completing all errors and omissions related to the services provided by the All Star 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 All Star to meet the standards of its profession as set forth in the preceding paragraph. The acceptance of the services by City does not release All Star from these obligations.

All Star will be responsible for employing or engaging all persons necessary to perform the services. All of All Star's staff will be qualified by training and experience to perform their assigned tasks. All Star will give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractor, if any, and will keep the services under its control. On demand of City, if any employee or subcontractor of All Star 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.

Acceptance by City of the work performed under this Agreement does not operate as a release of said All Star from such professional responsibility for the services performed.

2. Duration of Contract. The term of this Agreement shall be for the period of July 1, 2015 through June 30, 2016, unless this Agreement is terminated as provided herein.

3. Compensation. The method of payment for this Contract will be on a flat fee-for-services basis. Interpreter labor shall be assumed to be for a full day event at a cost of **Seventy Hundred Fifty Dollars ($750.00).** A half day event is considered to be up to three (3) hours of translation time, charged at a cost of **Five Hundred Dollars ($500.00)**. The total price paid All Star will include compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the All Star, 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 All Star and the City. Adjustment in the total compensation will not be effective until authorized and approved by written contract amendment**.**

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the All Star. If All Star fails to submit the required deliverable items according to schedule, unless the failure is through no fault of the All Star or the schedule is altered/extended by the City, the City shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

All Star 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 All Star is billing. Invoices shall detail the work performed on each task as applicable. Invoices shall be mailed or delivered to the City Clerk at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

All Star is required to comply with all federal, state and local laws and ordinances applicable to the work.

All Star understand and agree that the maximum compensation authorized for the services to be performed pursuant to this Agreement is limited to a not-to-exceed sum of **Thirty Five Thousand Dollars ($35,000.00).**

In the event of termination, the All Star 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 All Star'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 Star agrees that all of its electronic and hardcopy reports, documents, disc, diskettes and other materials and 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, All Star 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 All Star or its agents, employees and subcontractor pursuant to this Agreement will be delivered to City pursuant to the termination clause of this Agreement.

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 All Star; provided, however, that if this Agreement is terminated for any reason prior to expiration of this Agreement and if under such circumstances City uses, or engages the services of and directs another All Star to use, the Work Product, City agrees to hold All Star 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 All Star, or anyone for whose acts it is responsible, in preparation of the Work Product. All Star will not be responsible for deficiencies solely attributable to modifications of the Work Product performed by others.

5. Independent Contractor Status. All Star, its officers, employees, subcontractors, agents and volunteers (collectively hereinafter the "All Star"), will perform the services in All Star's own way and pursuant to this Agreement as an independent contractor and in pursuit of All Star's independent calling, and not as an employee of City. The persons used by All Star 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 All Star, except as expressly set forth in this Agreement. All Star expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that All Star shall not at any time or in any manner, represent that All Star is in any manner officers, employees, agents or volunteers of the City. All Star shall obtain no rights to retirement, health care or any other benefit that accrue to City officials, officers, or employees. All Star expressly waives any claim to such rights.

The payment made to All Star pursuant to the Agreement will be the full and complete compensation to which All Star is entitled. City will not make any federal or state tax withholdings on behalf of All Star or its agents, employees or subcontractors. City will not pay any workers' compensation insurance, retirement contributions or unemployment contributions

on behalf of All Star or its employees or subcontractors. All Star 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 All Star or any agent, employee, or contractor of All Star 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 All Star.

6. Successors, Assignment and Delegation. City and the All Star 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 All Star are material considerations for this Agreement. All Star shall not assign or transfer any interest in this Agreement or the performance of any of All Star's obligations under this Agreement without the prior written consent of the City. Any attempted assignment or transfer of any of All Star'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 All Star 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. All Star 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 All Star 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 All Star'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. All Star's services are unique and personal. Except as may be agreed to by the City, All Star will not subcontract any portion of the services without prior written approval of City Manager or his/her designee. If All Star subcontracts any of the services, All Star will be fully responsible to City for the acts, errors and omissions of All Star's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as All Star is for the acts and omissions of persons directly employed by All Star. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of All Star and City. All Star will be responsible for payment of subcontractors. All Star will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to All Star's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

9. Other Contractors. The City reserves the right to employ other contractors in connection with the services.

10. Indemnification. All Star 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 All Star, its officers, employees, subcontractor, subcontractors or agents in the performance of the duties undertaken by All Star 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 All Star's indemnification of the City, All Star 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 All Star or All Star'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 All Star 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. All Star 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 All Star'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 All Star pursuant to this Agreement are adequate to protect All Star. The coverage will contain no special limitations on the scope of its protection to the below-indicated insureds except for Workers Compensation. All Star will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage. If All Star believes that any required insurance coverage is inadequate, All Star will obtain such additional insurance coverage, as All Star deems adequate, at All Star'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 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 All Star has no employees and provides, to City's satisfaction, a declaration stating this.

Endorsements. For Commercial General Liability Insurance, All Star 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 insureds"** with respect to liability arising out of the activities of All Star. 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, All Star 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. All Star, 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 All Star. Upon execution of this Agreement, the All Star shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

13. Maintenance of Records. All Star will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. All Star 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. All Star 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. All Star represents and warrants (i) that All Star has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with All Star'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 All Star 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 All Star 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. All Star will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by All Star, or in any way affect the performance of the services by All Star. All Star 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.

16. Termination. In the event of the All Star'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 All Star in writing. All Star 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 All Star 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 All Star, whether located at the project site, at All Star's place of business, or at the offices of a subcontractor.

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, All Star will assemble the work product without charge and put it in order for proper filing and closing and deliver it to City. All Star 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.

17. Covenants Against Contingent Fees. All Star warrants that All Star has not employed or retained any company or person, other than a bona fide employee working for All Star, to solicit or secure this Agreement, and that All Star 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.

18. 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.

19. Testimony. All Star will testify at City's request if litigation is brought against City in connection with All Star's services under this agreement. Unless the action is brought by All Star, or is based upon All Star's actual or alleged negligence or other wrongdoing, City, upon prior written agreement with All Star will compensate All Star for time spent in preparation for testimony, testimony, and travel at All Star's standard hourly rates at the time of actual testimony.

20. 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.

21. Authority. The individuals executing this Agreement and the instruments referenced in it on behalf of All Star each represent and warrant that they have the legal power, right and actual authority to bind All Star to the terms and conditions of this Agreement.

22. 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.

23. Amendments. This Agreement may be modified or amended only be written document executed by both All Star 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.

24. Confidentiality. All documents, reports, information, data, and exhibits prepared or assembled by All Star in connection with the performance of the Services pursuant to the Agreement are confidential until released by the City to the public, and the All Star will not make any of these documents or information available to any individual or organization not employed by the All Star or the City without the written consent of the City before any such release.

25. 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.

26. 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 Provider:
All Star Interpreting Service
1925 Vassar Avenue
Glendale, California 91204
Attn: Juan Carlos Morales, President & CEO
(213) 400-9225
(213) 400-0925 – Direct
(818) 547-0562 – fax.
customerservice@allstarinterpreting.com

To City:
City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Clerk
(310) 605-5530
(310) 639-4685 – fax.

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.

27. 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, ALL STAR has executed this Agreement, and the **CITY**, by its City Manager, who is authorized to do so, has executed this Agreement.

ALL STAR INTERPRETING SERVICES

Dated: _____ **By _____**
Juan Carlos Morales, President & CEO

CITY OF COMPTON
Recommended for Approval:

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

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: **City Clerk**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH ALL STAR INTERPRETING SERVICE FOR PROVISION OF SPANISH LANGUAGE INTERPRETATION AND TRANSLATION SERVICES FOR CITY'S LEGISLATIVE BODIES FOR FISCAL YEAR 2015-2016 ($35,000)**

Alita Godwin	**7/8/2015 12:17:46 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/14/2015 6:11:38 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/8/2015 2:13:01 PM**
CITY CONTROLLER	DATE
Kelly Montgomery	**7/8/2015 2:04:57 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.

July 28, 2015

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: ALITA L. GODWIN, CMC
CITY CLERK

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2015-2016 ($35,500)

SUMMARY

The City Clerk requests that the City Council adopt a Resolution authorizing the City Manager to enter into a contract and issue a purchase order in the amount of $35,500.00 to Melvinna Sharp for payment of services for transcription and preparation of meeting minutes of the City's legislative bodies and specialized electronic services for the Fiscal Year 2015-2016.

BACKGROUND

The City contracts with Melvinna Sharp to transcribe and prepare the meeting minutes for the Compton Housing Development Commission, the Public Finance Authority, the Gaming Commission, the Urban Community Development Commission, the Successor Agency to the Community Redevelopment Agency of the City of Compton, and the City Council ("legislative bodies"). Use of her services allows the minutes to be prepared and submitted to the various legislative bodies for review and filing in a timely manner.

Additionally, Ms. Sharp is responsible for providing a variety of technological services attendant to the agenda preparation process for the City's legislative bodies, such as:

1. Export the consent Agenda from SIRE to the Granicus Live Manager System.
2. Transcribes the spoken word from video files using sophisticated software (Granicus Live/Media Manager internet-based software).
3. Include accurate time stamps for agenda items (Public Comments on Agenda and Non-Agenda Items, Consent Agenda, etc.).
4. Perform application programming operations (enters specialized vocabulary into software) to assist in the rapid and accurate translation

of spoken information into electronic and print materials; (roll call, motions, votes, resolution numbers, ordinance numbers, report out of closed session items, and adjournments).

5. Records amendments to resolutions and ordinances, incidental motions, requests to withdraw or modify motions, special privileges, and disciplinary procedures.
6. Evaluates and maintains software to determine suitability.
7. Identifies and takes corrective action to resolve routine operational problems.
8. Publishes training streams as necessary.
9. Provide user accessibility to archived meetings via the internet.
10. Operates peripheral equipment such as printers, desktop computers, and copiers to provide hard copies of summary minutes.

Ms. Sharp is compensated at a flat rate of $800.00 per week for each week that meetings of the legislative bodies are conducted as well as any special meetings called.

STATEMENT OF THE ISSUE

The existing contract has expired. Thus, it is requested that the City Manager be authorized to enter into a contract and issue a purchase order in the amount of $35,500.00 to pay for services rendered through June 30, 2016.

FISCAL IMPACT

The funding is currently budgeted in the City Clerk's Fiscal Year 2015-2016 budget in Account No. 1001-47-000-4262.

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution.

ALITA GODWIN, CMC
CITY CLERK

RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2015-2016 ($35,500).

WHEREAS, the City has contracted with Melvinna Sharp ("Sharp")to transcribe and prepare the meeting minutes for the Compton Housing Development Commission, the Public Finance Authority, the Gaming Commission, the Urban Community Development Commission, the Successor Agency to the Community Redevelopment Agency of the City of Compton, and the City Council ("legislative bodies"); and

WHEREAS, Sharp has additional duties which include but is not limited to performing application programming operations to assist in the rapid and accurate translation of spoken information into electronic and print materials; and

WHEREAS, Sharp is compensated at a flat rate of $800.00 for each week that meetings of the legislative bodies are held; and

WHEREAS, staff is recommending that the City Manager be authorized to enter into a contract and issue a purchase order in the amount of $35,500.00.

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 contract with Melvinna Sharp for the transcription and preparation of City of Compton's legislative bodies (i.e. Housing Development Commission, Public Finance Authority, Gaming Commission, Urban Community Development Commission, Successor Agency to the Community Redevelopment Agency of the City of Compton and the City Council), as well as any special meetings called for Fiscal Year 2015-2016 (July 1, 2015 through June 30, 2016).

Section 2. That funds for this expenditure are available in the City Clerk's Fiscal Year 2015-2016 budget in Account No. 1001-470-000-4262.

Section 3. That a purchase order is authorized to be issued in the amount of $35,500.00.

Section 4. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney and City Controller.

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 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–
ABSENT: COUNCIL MEMBERS–
ABSTAIN: COUNCIL MEMBERS–

_____
CITY CLERK OF THE CITY OF COMPTON

TRANSCRIPTION SERVICES AGREEMENT
BETWEEN
THE CITY OF COMPTON
AND
MELVINNA SHARP

This **AGREEMENT** is entered and 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 the **MELVINNA SHARP** (hereinafter referred to as **"CONTRACTOR"**) located at 902 North Poinsettia Avenue, Compton, California 90220.

RECITALS:

WHEREAS, the City requires the services of a qualified and experienced professional to assist the City Clerk's Office by providing transcription services for the meeting minutes for the six (6) legislative bodies of the City of Compton; i.e. the Compton Housing Development Commission, the Compton Public Finance Authority, the Urban Community Development Commission, the Compton Gaming Commission, the Successor Agency to the Community Redevelopment Agency of the City of Compton and the Compton City Council; and

WHEREAS, Contractor represents that she 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 a contract with the Contractor (Melvinna Sharp) to provide the needed services; and

WHEREAS, Contractor is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, Contractor and City**,** for the consideration, terms and conditions herein described, mutually agree as follows:

AGREEMENT:

1. Services to be rendered by Contractor. It is the mutual understanding of the parties that the Contractor shall render services **"as-needed"** and requested by the Compton City Clerk. These services shall include, but are not limited to transcription and preparation of minutes from the Compton Housing Development Commission, the Compton Public Finance Authority, the Urban Community Development Commission, the Compton Gaming Commission, the Compton City Council and the Successor Agency meetings. Services further include responsibly for providing a variety of technological services attendant to the agenda preparation process, including:

1. Export the consent Agenda from SIRE to the Granicus Live Manager System.
2. Transcribe the spoken word from video files using sophisticated software (Granicus Live/Media Manager internet-based software).
3. Include accurate time stamps for agenda items (Public Comments on Agenda and Non-Agenda Items, Consent Agenda, etc.).
4. Perform application programming operations (enter specialized vocabulary into software) to assist in the rapid and accurate translation of spoken information into electronic and print materials; (roll call, motions, votes, resolution numbers, ordinance numbers, report out of closed session items, and adjournments).

5. Record amendments to resolutions and ordinances, incidental motions, requests to withdraw or modify motions, special privileges, and disciplinary procedures.
6. Evaluate and maintain software to determine suitability.
7. Identify and take corrective action to resolve routine operational problems.
8. Publish training streams as necessary.
9. Provide user accessibility to archived meetings via the internet.
10. Operate peripheral equipment such as printers, desktop computers, and copiers to provide hard copies of summary minutes.

Contractor acknowledges that in entering into this Agreement the City is relying on Contractor's special skills and experience to do and perform the services in accordance with best standards of professional practice. While performing the services, Contractor 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**.**

Contractor services hereunder shall be performed in good, workmanlike and professional manner. Contractor shall be responsible for correcting and completing all errors and omissions related to the services provided by the Contractor 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 Contractor to meet the standards of its profession as set forth in the preceding paragraph. The acceptance of the services by City does not release Contractor from these obligations.

Acceptance by City of the work performed under this Agreement does not operate as a release of said Contractor from such professional responsibility for the services performed.

2. Duration of Contract. The term of this Agreement shall be for period of July 1, 2015 through June 30, 2016, unless this Agreement is terminated as provided herein.

3. Compensation. The method of payment for this Contract will be based on a fee-for-services basis, billable at an agreed rate of **Eight Hundred Dollars ($800.00)** per date for transcription and preparation of meeting minutes for each and every City of Compton legislative body (i.e. the Compton Housing Development Commission, the Compton Public Finance Authority, the Urban Community Development Commission, the Compton Gaming Commission, the Compton City Council and the Successor Agency) meeting on that date. The compensation paid the Contractor includes compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the Contractor, unless there is a change in the scope of the services or the scope of the project. In the instance of a change in the scope of services or scope of the project, adjustment to the compensation may be negotiated between the Contractor and the City. Adjustment in the compensation will not be effective until authorized and approved by contract amendment**.**

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the Contractor. If Contractor fails to submit the required deliverable items according to schedule, unless the failure is through no fault of the Contractor or the schedule is altered/extended by the City, the City shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

Contractor 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 Contractor is billing. Invoices shall detail the work performed on each task as applicable. Invoices shall be mailed or delivered to the City Clerk at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

The Contractor is required to comply with all federal, state and local laws and ordinances applicable to the work.

The Contractor understand and agree that the maximum compensation authorized for the services to be performed pursuant to this Agreement is limited to a not-to-exceed sum of **Thirty Five Thousand Five Hundred Dollars ($35,500.00).**

In the event of termination, the Contractor 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 Contractor'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. Contractor agrees that all of its electronic and hardcopy reports, documents, disc, diskettes and other materials and 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, Contractor 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 Contractor or its agents, employees and subcontractors pursuant to this Agreement will be delivered to City pursuant to the termination clause of this Agreement.

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 Contractor; provided, however, that if this Agreement is terminated for any reason prior to expiration of this Agreement and if under such circumstances City uses, or engages the services of and directs another Contractor to use, the Work Product, City agrees to hold Contractor 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 Contractor, or anyone for whose acts it is responsible, in preparation of the Work Product. Contractor will not be responsible for deficiencies solely attributable to modifications of the Work Product performed by others.

5. Independent Contractor Status. Contractor, its officers, employees, subcontractors, subcontractors, agents and volunteers (collectively hereinafter the "Contractor"), will perform the services in Contractor's own way and pursuant to this Agreement as an independent contractor and in pursuit of Contractor's independent calling, and not as an employee of City. The persons used by Contractor 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 Contractor, except as expressly set forth in this Agreement. Contractor expressly warrants that

while engaged in carrying out and complying with any terms and conditions of this Agreement that Contractor shall not at any time or in any manner, represent that Contractor is in any manner officers, employees, agents or volunteers of the City. Contractor shall obtain no rights to retirement, health care or any other benefit that accrue to City officials, officers, or employees. Contractor expressly waives any claim to such rights.

The payment made to Contractor pursuant to the Agreement will be the full and complete compensation to which Contractor is entitled. City will not make any federal or state tax withholdings on behalf of Contractor or its agents, employees or subcontractors. City will not pay any workers' compensation insurance, retirement contributions or unemployment contributions on behalf of Contractor or its employees or subcontractors. Contractor 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 Contractor or any agent, employee, or contractor of Contractor 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 Contractor.

6. Successors, Assignment and Delegation. City and the Contractor 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 Contractor are material considerations for this Agreement. Contractor shall not assign or transfer any interest in this Agreement or the performance of any of Contractor's obligations under this Agreement without the prior written consent of the City. Any attempted assignment or transfer of any of Contractor'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 Contractor 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. Contractor 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 Contractor 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 Contractor'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. Contractor's services are unique and personal. Except as may be agreed to by the City, Contractor will not subcontract any portion of the services without prior written approval of City Manager or his/her designee. If Contractor subcontracts any of the services, Contractor will be fully responsible to City for the acts, errors and omissions of Contractor's subcontractor and of the persons either directly or indirectly employed by the

subcontractor, as Contractor is for the acts and omissions of persons directly employed by Contractor. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Contractor and City. Contractor will be responsible for payment of subcontractors. Contractor will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Contractor's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

9. Other Contractors. The City reserves the right to employ other Contractors in connection with the services.

10. Indemnification. Contractor 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 Contractor, its officers, employees, subcontractors, subcontractors or agents in the performance of the duties undertaken by Contractor 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 Contractor's indemnification of the City, Contractor 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 Contractor or Contractor'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 Contractor 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. Contractor 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 Contractor'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 Contractor pursuant to this Agreement are adequate to protect Contractor. The coverage will contain no special limitations on the scope of its protection to the below-indicated insureds except for Workers Compensation and errors and omissions insurance. Contractor will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage. If Contractor believes that any required insurance coverage is inadequate, Contractor will obtain such additional insurance coverage, as Contractor deems adequate, at Contractor's sole expense.

11.1 Commercial General Liability Insurance. $500,000.00 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 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 Contractor has no employees and provides, to City's satisfaction, a declaration stating this.

Endorsements. For Commercial General Liability Insurance, Contractor will insure 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 insureds"** with respect to liability arising out of the activities of the Contractor. 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, Contractor 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. Contractor, 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 Contractor. Upon execution of this Agreement, the Contractor shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

13. Maintenance of Records. Contractor will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Contractor 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. Contractor 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. Contractor represents and warrants (i) that Contractor has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with Contractor'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 Contractor 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 Contractor 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. Contractor will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Contractor, or in any way affect the performance of the services by Contractor. Contractor 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.

16. Termination. In the event of the Contractor'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 Contractor in writing. Contractor 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 Contractor 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 Contractor, whether located at the project site, at Contractor's place of business, or at the offices of a subcontractor.

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, Contractor will assemble the work product without charge and put it in order for proper filing and closing and deliver it to City. Contractor 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.

17. Covenants Against Contingent Fees. Contractor warrants that Contractor has not employed or retained any company or person, other than a bona fide employee working for Contractor, to solicit or secure this Agreement, and that Contractor 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.

18. 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.

19. Testimony. Contractor will testify at City's request if litigation is brought against City in connection with Contractor's services under this agreement. Unless the action is brought by Contractor, or is based upon Contractor's actual or alleged negligence or other wrongdoing, City, upon prior written agreement with Contractor will compensate Contractor for time spent in preparation for testimony, testimony, and travel at Contractor's standard hourly rates at the time of actual testimony.

20. 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.

21. Authority. The individuals executing this Agreement and the instruments referenced in it on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions of this Agreement.

22. 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.

23. Amendments. This Agreement may be modified or amended only be written document executed by both Contractor 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.

24. Confidentiality. All documents, reports, information, data, and exhibits prepared or assembled by Contractor in connection with the performance of the Services pursuant to the Agreement are confidential until released by the City to the public, and the Contractor will not make any of these documents or information available to any individual or organization not employed by the Contractor or the City without the written consent of the City before any such release.

25. 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.

26. 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 Contractor:

MELVINNA SHARP
902 North Poinsettia Avenue
Compton, California 90220
Attn: Melvinna Sharp
(562) 441-6645
(888) 421–8798 fax.

To City: **CITY OF COMPTON**
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Clerk
(310) 605-5530
(310) 639-4685 – 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.

27. 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, CONTRACTOR has executed this Agreement, and the **CITY**, by its City Manager, who is authorized to do so, has executed this Agreement.

CONTRACTOR

Dated: _____ **By _____**
Melvinna Sharp

CITY OF COMPTON
Recommended for Approval:

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

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: **City Clerk**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2015-2016 ($35,500)**

Alita Godwin	**7/8/2015 12:17:37 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/14/2015 4:29:25 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/8/2015 2:46:52 PM**
CITY CONTROLLER	DATE
Kelly Montgomery	**7/8/2015 2:05:39 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.

July 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 AUTHORIZING THE CITY MANAGER TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL ENGINEERING DESIGN SERVICES FOR CENTRAL AVENUE CORRIDOR PAVEMENT REHABILITATION PROJECT PHASE II ($131,327)

SUMMARY

Adoption of this resolution will authorize the City Manager to enter into a second (2nd) amendment to the professional services agreement with JMDiaz, Inc. to provide additional engineering design services for the Central Avenue Pavement Rehabilitation Project Phase II, and authorize the issuance of a purchase order in the amount of $131,327.00

BACKGROUND

On December 16, 2014, JMD was selected through a competitive proposal process to provide professional engineering design services for the Central Avenue Corridor Transportation Study and Conceptual Design Plans. The primary focus is development of conceptual design and to provide engineering analysis and necessary data collection to prepare construction documents to effectively compete for local, State and Federal transportation funds to improve the Central Avenue Corridor between Artesia Boulevard and El Segundo Boulevard. This work will incorporate all concepts of current Complete Streets elements such as bicycle, pedestrian and vehicle traffic as well as implement new storm water regulations.

At the project's February 19, 2015 Project Design Team (PDT) meeting, City staff recommended development of a pavement rehabilitation project to immediately address the extremely poor pavement condition of Central Avenue. In response, JMDiaz prepared a report with pavement rehabilitation recommendations for the segment of Central Ave from 131st Street to Lincoln Memorial Park. This segment of Central Avenue exhibits some of the worst pavement conditions within the portion of Central Avenue in the City of Compton. The segment is approximately 2 miles in length and the estimated construction cost to repair/rehabilitate is $2.6 million. In order to expedite the project to solicit construction bids in 2015, the project design was separated into 2 construction

phases. Phase I includes the northern portion of Central Avenue between 131st Street to Compton Blvd. Phase II will include the portion between Compton Blvd and Lincoln Memorial Park. On June 9, 2015, City Council approved the JMD contract amendment for Phase I design services in the amount of $160,000.

STATEMENT OF ISSUE

In response to City staff request, on May 26, 2015 a proposal was submitted by JMD to perform expedited Phase II design services and is attached to the staff report. JMD's proposed work scope includes design, construction management and inspection services. Staff recommends accepting the proposal for design services only ($131,327). The design services to be performed includes for:

- Preliminary Design which includes a Field inventory of traffic equipment and features to identify utility conflicts;
- Data Review/Coordination to review existing City records and Geotechnical information;
- Field investigation including a site reconnaissance and subsurface exploration;
- Laboratory testing of soil samples;
- Engineering Analysis to determine the proposed pavement section;
- Report Preparation of the pavement evaluation;
- Surveying and Base Plans;
- Pavement Engineering/Traffic Index Calculations;
- Prepare plans and specifications for bidding;
- Prepare engineer's estimate for construction;
- Provide support services during the project bidding period as required.

JMD has submitted a proposed not-to-exceed fee of $131,327. Project design is to be performed on a very aggressive schedule with the completed plans, specifications, and engineer's estimate to be submitted to the City in January 2016. The estimated schedule is as follows:

- Final plans, specifications, and estimate – Week of January 15, 2016;
- Bid Advertisement – mid February 2016;
- Project Bid Opening – end of March 2016;
- Construction Contract Award – end of April 2016;
- Begin Construction - end of May 2016;
- Project Completion – early November 2016

Although construction management services is not included in this proposal, it is listed for budgeting purposes and JMD is prepared to perform this task if the City

deems it is necessary to accomplish the City's objectives. The additional estimate for construction management services is $152,500.

ALTERNATIVE

No alternative is recommended. The pavement condition on Central Avenue is in dire need of immediate rehabilitation. Pavement design services will address this need and develop the necessary construction documents to effect the necessary roadway pavement rehabilitation to this critical project.

FISCAL IMPACT

Funds in the amount of $131,327 are available in the Public Works/Municipal Utilities Department's FY 2015-16 budget in Account No. 1900-710-000-4262.

RECOMMENDATION

Staff recommends that the City Council:

a) Accept the JMD proposal dated May 26, 2015 submitted by JMD to provide pavement design services for Central Avenue Corridor Pavement Rehabilitation;
b) Authorize the City Manager to enter into a second (2nd) amendment to the professional services agreement with JMDiaz, Inc. to provide additional engineering design services for the Central Avenue Pavement Corridor Rehabilitation Project, Phase II, and issue purchase order in the amount of $131,327.

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

APPROVED FOR FORWARDING:

JOHNNY FORD
CITY MANAGER

Attachment: JMD 05-26-15 Proposal, Phase II

RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL ENGINEERING DESIGN SERVICES FOR CENTRAL AVENUE CORRIDOR PAVEMENT REHABILITATION PROJECT PHASE II ($131,327)

WHEREAS, on December 16, 2014, the City Council adopted Resolution No. 24,065, which authorized the City Manager to contract with JMDiaz, Inc. ("JMD") to perform a transportation study and develop conceptual design plans for the Central Avenue Street Corridor Transportation Study and Conceptual Design Plans at a cost of $250,216.85; and

WHEREAS, in February 2015, City staff recommended development of a pavement rehabilitation project to immediately address the extremely poor pavement condition of Central Avenue, in response to which JMDiaz prepared a report with pavement rehabilitation recommendations for the portion of Central Ave from 131st Street to Lincoln Memorial Park; and

WHEREAS, this segment of Central Avenue - approximately 2 miles in length and the estimated construction cost to repair/rehabilitate is $2.6 million - exhibits some of the worst pavement conditions within the portion of Central Avenue in the City of Compton, thus, in order to expedite the project and receive construction bids in 2015, project design was separated into 2 construction phases; Phase I includes the northern portion of Central Avenue from 131st Street to Compton Blvd, while Phase II will extend from Compton Blvd to Lincoln Memorial Park; and

WHEREAS, on June 9, 2015, the City Council adopted Resolution No. 24,158, which authorized the City Manager to amend the agreement with JMDiaz to expand the scope of services in Phase I of the project to be provided to accelerate the construction of street rehabilitation and repair improvements to address poor and failing condition of Central Avenue pavement at additional compensation in the amount of $160,000; and

WHEREAS, staff has requested JMDiaz, Inc. to provide a proposal to perform additional pavement rehabilitation design services on the Phase II portion of Central Avenue (131st Street to Lincoln Memorial Park); and

WHEREAS, staff recommends the City Council accepts the proposal submitted by JMDiaz, Inc. dated May 26, 2015 to perform rehabilitation pavement design services on the Phase II portion of Central Avenue and authorize the City Manager to execute the contract amendment and issue a purchase order for $131,327; and

WHEREAS, funds in the amount of $131,327 are available in the Public Works & Municipal Utilities Fiscal Year 2015-2016 budget, Account No. 1900-710-000-4262.

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 enter into a second (2nd) amendment to the professional services agreement with JMDiaz, Inc. to provide additional engineering design services for the Central Avenue Pavement Rehabilitation Project Phase II.

SECTION 2. That funds in the amount of $131,327 are available in the Public Works & Municipal Utilities 2015-2016 Fiscal Year budget in Account No. 1900-710-000-4262.

SECTION 3. That a purchase order is hereby authorized to be issued in an amount not-to-exceed $131,327.00.

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 and 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 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

JMD
PLANNING | ENGINEERING | MANAGEMENT

May 26, 2015

Mr. Glen W. C. Kau, PE
Director of Public Works/Municipal Utilities
City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

2015.1112.0013.00

SUBJECT: Proposal to Provide Professional Engineering Services for Central Avenue (Segment 3) Pavement Rehabilitation Project (Phase 2) Between Compton Boulevard and Lincoln Memorial Park, City of Compton

Dear Mr. Kau:

As requested, JMDiaz, Inc. is pleased to submit this revised proposal to provide professional engineering services for the proposed Central Avenue (Segment 3) Pavement Rehabilitation Project (Phase 2) in the City of Compton. Our proposal, which is effective for 90 days from the date of this letter, includes our proposed team, scope of services, fee and schedule.

Background

The City of Compton (City) intends to reconstruct Central Avenue from Compton Boulevard to Lincoln Memorial Park to address roadway rehabilitation needs in an expedited manner.

The purpose of this design effort is to extend the Phase 1 rehabilitation limits further south to Lincoln Memorial Park. Such efforts are intended to address critical pavement rehabilitation needs and set the stage for a new vision for the Central Avenue citywide corridor which is currently being defined.

In addition to defining a corridor vision for all of Central Avenue in the City, via the preparation of a Project Study Report Equivalent (PSRE), the City intends to reconstruct two segments of Central Avenue to address roadway rehabilitation needs in an expedited manner. The two segments or phases include:

- 131st Street to Compton Boulevard
- Compton Boulevard to Lincoln Memorial Park

The development of the PSRE as well as the two pavement rehabilitation phases have been carefully developed to avoid project overlaps with regards to surveying and geotechnical activities. For cost effectiveness, surveying for the PSRE consists of aerial survey designed to cover the entire limits of all of Central Avenue but at a level of accuracy commensurate with a PSRE and not final design efforts. The pavement rehabilitation phases (1 and 2), however, provide detailed field surveying essential for final design efforts and taking into account the extremely flat conditions of Central Avenue. Each of the two segments offer surveying within respective boundaries in Phases 1 and 2 to avoid overlaps.

Geotechnical activities consist of an independent review of prior geotechnical studies on Central Avenue for development of the PSRE while detailed and concise geotechnical reports are being developed for each segment or phase of pavement rehabilitation on Central Avenue.

18645 East Gale Avenue, Suite 212, City of Industry, CA 91748-1363
(626) 820-1137 Tel • (626) 820-1136 Fax
www.jmdiaz.com

Table 1 - The following is a cost breakdown showing Central Avenue project differences on similar tasks and their rationale to avoid overlaps.

Table 1 - Project Comparison

	Project 1 (P1)		Project 2 (P2)		Project 3 (P3)		Comments
Task	Central Avenue Project Study Report Equivalent (PSRE)		Central Avenue Pavement Rehabilitation, Segment 2, Phase 1		Central Avenue Pavement Rehabilitation, Segment 3, Phase 2		
	Scope	Fee	Scope	Fee	Scope	Fee	
Project Administration, Coordination and Meetings	6 meetings	$12,560	10 meetings	$10,900	10 meetings – accounts for staggered start	$8,920	P1 - 6 meetings for multiple concept development. P2 and P3 – 10 meetings each for preliminary and final design and due to staggered schedule.
Research, Data Collection, Utility Coordination	Covers general data collection for study (not design) purposes including as-builts, traffic, accident data. Also, general (roadway width) field review for three miles.	$6,888	Covers detailed field review and inventory including lane geometry, signage, striping and utility markers for nearly one mile.	$7,162 including $3,000 for potholing.	Covers detailed field review and inventory including lane geometry, signage, striping and utility markers for nearly one mile.	$5,814 including $2,300 for potholing.	P1 – covers general study information and relying on aerial mapping for 3 miles. P2 and P3 – cover detailed design and detailed field measurements for preliminary and final design for one mile.
Geotechnical	Geotechnical review and assessment of prior geotechnical studies for nearly three miles.	$9,520	Geotechnical analysis/report for nearly one mile.	$15,373	Geotechnical analysis/report for nearly one mile.	$9,325	P3 – Cost reduced to account for similar P2 effort.
Surveying (P1, P2, P3), Base Plans (P2 and P3), ROW Engineering (P1)	Aerial survey and ROW boundaries covering nearly three miles. No cross sections.	$33,906	Field surveying including cross sections at 50 feet for nearly one mile.	$22,085	Field surveying including cross sections at 50 feet for nearly one mile.	$22,696	P2 and P3 – relies on ROW engineering in P1.

Project Team

To develop this project concurrently and in an expeditious manner, we have assigned **Kamran Saber, PE, QSD** as the proposed Project Manager for this project. Kamran understands the roadway improvement process and will ensure a fast-track schedule and comprehensive pavement improvement are developed on Central Avenue. Kamran and I will work together to ensure that the project is properly coordinated to avoid throwaway costs.

Scope of Work

Our proposed scope of work is based on the enclosed Central Avenue Pavement Rehabilitation Planning Report and consists of the following tasks:

Phase 0 – Initiation and Management

Task 0-1 – Project Administration, Coordination and Meetings

The JMD Team will meet with City staff and confirm the project scope, establish key communication personnel and roles, refine the project schedule and finalize design criteria. After review of the process to be followed, agreement on the initial design concept and schedule will be reached. This will avoid confusion and delays later in the project development process and facilitate timely review and approval of submittals.

Meetings between the City and JMD will be held to keep all parties informed, resolve issues and successfully complete the project. Written progress reports will be prepared monthly to assess project progress, identify issues and outline planned work tasks and submittals. A monthly schedule, in MS Project, will also be provided.

Coordination meetings with City staff will include entities such as the County of Los Angeles to provide sufficient advance notification prior to approval and commencement of construction activities.

This task assumes up to one (1) kickoff and seven (7) coordination meetings.

Phase I – Preliminary Design (35%)

Task I-2 – Research/Data Collection/Utility Coordination

JMD will obtain documentation available from the City and/or County records. We will assemble, sort and review existing available information on the project area, including "as-built" plans, maps, studies, existing right-of-way, where needed, and utility information in order to become familiar with the project, ascertain the completeness and accuracy of available information and determine additional information requirements. Although not anticipated, JMD can assist in identifying easement documents for traffic signal equipment that may be located in private property. Field reviews will be performed, to verify that existing information is current and accurate.

Field review(s) for the project will consist of the following:

- Field inventory to determine proposed locations of signal equipment, signing and striping, curb and gutter, sidewalk and miscellaneous topographic features. This field inventory will also identify potential utility conflicts.
- Recommended additions or deletions to the project. A recommendation will be made regarding improvements necessary to achieve the City's objectives and available funding.

Affected entities will be contacted regarding specific requirements that they have and also if they have committed to related improvements which would be implemented within the time frame of the City's project. Concurrent projects encountered will be identified.

JMD will coordinate with utility companies involved to identify existing underground and overhead utility lines that may interfere with the proposed improvements. JMD will send a preliminary notice to each utility company with facilities in the project area. The notices will request plans for existing or planned improvements, prior rights information and, if required, a preliminary cost estimate and schedule for each company for any required relocation. JMD will also review the information obtained from the City and utility companies and make recommendations of the locations for underground investigations, including potholing, to determine utility locations and depth. This task assumes up to six (6) pothole locations.

JMD will provide deliverables to Caltrans to process encroachment permit(s) and obtain timely project approval. Four (4) six-week review cycles during each project milestone are estimated for Caltrans permitting purposes.

Task I-3 – Geotechnical Analysis/Report

JMD's geotechnical subconsultant, Geo-Environmental, Inc., will conduct an investigation and prepare a geotechnical report documenting project findings.

Task 1-3.1 – Data Review/Coordination – Available geotechnical and geological data regarding the project sites and surrounding areas will be reviewed to assess the expected soil conditions at the sites. The data review will include the review of published geologic maps and grading reports for the sites and other geotechnical data contained in our in-house files, and in City/County files. City records to be reviewed will include any existing improvement plans, topographic data, maps, as-constructed drawings, utility plans, reports, aerial photographs, and other pertinent information necessary for the project. At least two (2) working days before the fieldwork, GEI will obtain all necessary state, federal, local, and other permits and licenses as necessary.

Task 1-3.2 – Field Investigation – The field investigation will consist of two (2) parts: a site reconnaissance and a subsurface exploration. The site reconnaissance will include examination of the project sites to evaluate existing improvements, and gain familiarity with the site and specific pavement conditions. The reconnaissance will include examination of the condition of the pavement, and identification of all damaged areas. Results of the site reconnaissance will be used to select the coring locations for the proposed subsurface exploration. Locations of corings will be distributed over the street lengths and between lanes as appropriate to provide the apparent pavement construction history in travel lanes based on the results of the field exploration. The proposed coring locations will be marked in white and Underground Service Alert (USA) will be notified for coordinating with utility companies to locate and field-mark existing substructures. The markings provided by USA will be used to ensure the protection of any identified existing utilities. Following the notification to USA, the field investigation will be performed.

The field investigation will include exploration of the sites by coring at six (6) locations to secure undisturbed and bulk soil samples for laboratory analysis of the subgrade soils supporting the pavement sections. The corings will be cored by utilizing either a 4-inch and/or a 6-inch diameter hollow-stem auger drill rig. The soils corings will be cored to depths ranging between one (1) foot and five (5) feet below the existing ground surface or to the depth of refusal. The depths of the proposed corings may

change depending on the materials encountered during the field investigation. The coring holes will be backfilled with soil cuttings generated from the same coring, compacted to approximately 90% relative compaction, and patched with cold asphalt immediately after the final soil samples are retrieved. GEI will provide all necessary traffic control while performing fieldwork in accordance with the MUTCD Manual. The traffic control and detouring will provide for continuous driveway and pedestrian access to businesses and residents at all times.

Geologic logs of boring activities exhibiting soil classification of each stratum in accordance with the Unified Soil Classification System (USCS), ASTM 2487, will be prepared by a representative of GEI. The logs will include all pertinent information regarding the existing structural sections, including existing AC and PCC improvements, coring depth and location, sample collection depth, USCS group name, USCS group symbol, color as determined by Munsell Soil Color Charts, grain size distribution, plasticity index, moisture content and dry density of drive samples, the elevation of the water table (including the depth of saturated soil or groundwater) if encountered, and caving potential and/or sloughing conditions. During coring, the classifications, thicknesses, and material types of the existing subgrade soils, AC, overlay, PCC, AB, and fabric or other interlayers will be noted.

Undisturbed drive samples will be collected at random depths below the existing ground surface during coring operations; additional drive samples will be taken at changes in lithology or if unusual conditions are encountered. Relatively undisturbed ring samples will be obtained using a Modified California Sampler (2.4 inches inside diameter and 3.0 inches outside diameter) lined with thin-walled sample rings. The sampler will be driven into the bottom of the hole with successive drops of a 140-pound hammer falling 30 inches. The number of successive drops of the driving weight (blows) required for one (1) foot of penetration will be shown on the coring logs. Bulk samples from soil cuttings generated during the drilling activities will be collected at depths up to approximately five (5) feet below the existing ground surface, and placed in plastic bags. The samples from the corings will be tested in the laboratory as described in Task 3.

Task 1-3.3 – Laboratory Testing – Bulk and relatively undisturbed drive soil samples collected during the proposed field investigation will be examined in the laboratory to confirm field classifications. Selected samples from the corings will be tested to help evaluate engineering properties of the subsurface soils, including in-situ moisture content and dry density, grain-size distribution, plasticity/expansive characteristics, compaction characteristics (maximum dry density and optimum water content) by modified proctor testing, corrosion potential, and R-value. The numbers and types of tests will depend upon the soils encountered and the planned improvements at the sample location. Results of all laboratory testing performed on bulk and drive samples of the subsurface soils will be included in the appendix of the engineering report prepared for the project.

Task 1-3.4 – Engineering Analysis – Engineering analyses will be performed upon completion of the laboratory testing. Results from the field and laboratory testing, site reconnaissance, and GEI's experience will be the basis for the engineering analyses. GEI will provide engineering conclusions and recommendations for the following:

- Type and extent of the materials encountered;
- Relative compaction of the subgrade soils;
- The thickness of the existing pavement section (AC/AB or PCC);
- Presence of groundwater or seepage (groundwater table depth, if encountered);
- The required pavement section for the design TI and the R– value of the subgrade soils;
- The estimated design life of the existing pavement section, and
- The improvement in the service life of pavement by placing overlay, cape sealing, or other alternative paving method (Full Depth Reclamation).

Task 1-3.5 – Report Preparation – A pavement evaluation engineering report will be prepared at the conclusion of the investigation to aid in the evaluation of the street segment service life. The report will describe GEI's purpose, methods and procedures used to conduct the field exploration (including sampling collection methods), investigation findings (soil characteristics), geotechnical engineering conclusions/recommendations regarding appropriate construction methods, recommendations, and supporting laboratory testing procedures and results. The report will provide complete information regarding the thicknesses of the existing AC and AB, plasticity characteristics and grain-size distribution of the subgrade soil, and recommendations for the planned street improvements. The engineering report will include typed geologic coring logs, geotechnical laboratory reports, site location maps, coring location maps, and other pertinent data and information. All referenced geotechnical reports used in the preparation of the report will be listed in the appendix. The report will be prepared in accordance with the requirements of the City's Public Works Department. Up to three (3) copies of the report will be submitted to you as appropriate.

Task I-4 – Surveying and Base Plans

JMD's surveying subconsultant, FHA Consulting (FHA) will perform the following tasks:

Task 1-4.1 – The cross sectional field survey with the 30 to 40 foot intervals, all missing existing utilities within project limits shown on provided exhibits and maps by JMD. The side streets limits at intersections are to the BCR/ECR of the curb returns except for major intersections which will be 50 feet from BCR/RCR.

Task 1-4.2 – Grid survey of intersection at Alondra Boulevard.

Task 1-4.3 – Preparation of the base maps for the existing street as well as centerline alignments with stationing from south to north direction.

Task I-5 –Hydrology/Hydraulic Analysis Report (Optional)

A Hydrology and Hydraulic Analysis Report is not anticipated for the project. However, damaged or missing drainage facilities will be replaced using available hydrology and hydraulic data, if available.

Task I-6 – Pavement Engineering/Traffic Index Calculations

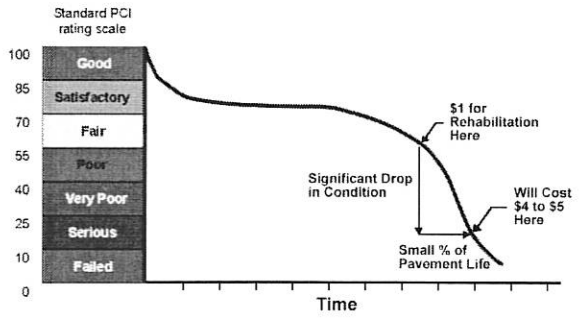
JMD will conduct pavement engineering to determine the optimal pavement section(s) for Central Avenue. Determining the most appropriate and economical pavement rehabilitation strategy for the roadway pavement is not always as simple as it sometimes seems. Each project of this type has its own unique characteristics and potential pitfalls. From a technical standpoint, determining the thickness of a structural section based on the R-value and Traffic Index (TI) is a straight forward process. However, determining the best pavement rehabilitating approach is based on a combination of factors including economical (project cost vs. benefit), practical (desired life cycle, constructability, urban set up) and even political factors.

It has typically been JMD's experience that the design of the final pavement rehabilitation strategy requires a detailed review of the Geotechnical Report. Due to our extensive experience in pavement rehabilitation projects, evaluating and considering refinements to the general recommendations in the Geotechnical Report is one of JMD's specialties. As a result, we will develop the "**Best Fit**" and most cost effective rehabilitation strategy for the City to consider for this project.

The rehabilitation strategy will be based on the information contained in the pavement evaluation/ geotechnical report prepared by our geotechnical subconsultant. This report will consider subsurface and surface conditions and properties to evaluate existing pavement and make general recommendations for rehabilitation.

JMD's pavement engineering approach to this project is to provide comprehensive yet efficient investigations so that cost effective pavement rehabilitation methods are achieved. As such, a field mapping/survey of the entire pavement surface within the subject streets will be performed for the purpose of identifying areas of distress, degree of distress to allow categorizing the street areas so that appropriate subsurface investigations can be implemented.

The investigation will identify areas of variable distress based on field survey/observations. Based on past experience and an initial site visit of the streets, three categories of pavement distress are anticipated and the corresponding economical rehabilitation measures are described as follows in accordance with the PCI graph below:



Category 1: Fair/Good Pavement Condition

This category is generally assigned to street pavement sections that appear to be in fair-good condition with minimal or more distress related cracks and adequate pavement section. Pavement rehabilitation for this category may include:

- 1.5" of AC overlay
- Cape sealing
- Slurry sealing
- Localized R&R (minimum)

Category 2: Poor Pavement Condition

This category is generally assigned to street sections with acceptable subgrade conditions while pavement surface is characterized with severe alligator cracks and poor ride quality. Depending on actual AC thickness for each section, pavement rehabilitation for this category may include:

- 2.0"-3.0" of mill and overlay (HMA or ARHM) to meet required life span
- Stress Absorbing Membrane Interlayer (SAMI)
- Localized R&R

Category 3: Failed/Very Poor Pavement Condition

This category is generally assigned to pavement sections with severe alligator cracking and pavement failure caused primarily by subgrade/base failure. Depending on existing AC/AB thicknesses for each section, pavement rehabilitation for this category may include:

- Complete removal of existing pavement and placement of new 20-year service life pavement section on top of properly prepared/treated subgrade
- Pulverize existing AC/AB and, if necessary, remove subgrade to a depth sufficient to allow for placement of a new HMA layer on top of the properly pulverized and/or cement treated AB and properly compacted subgrade

Pavement evaluation and design will be generally in accordance with Caltrans Highway Design Manual and applicable City standards.

Existing conditions to be considered during design include:

- Existing subgrade properties, especially the presence of clayey soils
- Excessive subgrade moisture due to natural causes or excessive irrigation runoff by local homeowners
- Existing AC thickness
- Required structural sections or overlay thickness
- Extent of failed areas
- Pavement cross falls

- Existing concrete pavement conditions
- Crack treatment in overlay areas
- Construction considerations
- Consideration for using geofabrics for stabilization of soft clay or decrease reflective cracking and/or increase roadway structural section strength and bridge soft soil stratum
- Construction phasing considerations

Based on our preliminary field observations, we envision using the following options for this project:

1. Mill and overlay using Asphalt Rubber Hot mix (ARHM) with localized R&R where needed
2. Cold In Place Recycling (CIPR) with addition of ARHM of wearing surface
3. Full Depth Reclamation (FDR) with cement treated base
4. Establish a 10-ft grid for the major intersections to prevent "birdbaths" and provide smooth transition for the vehicles crossing the intersection

Initially, we recommend Option 1 since ARHM provides a smoother ride experience, seals the subgrade against water penetration, resists reflective cracking, provides a much quieter ride (as much as 10 db) and lastly, the City can take advantage of being qualified for securing grants from the California integrated Waste Management Board (CIWMB)/ CalRecycle program. There are several CalRecycle Rubberized Asphalt Concrete (RAC) grant programs that provide financial assistance to local governments specifically to fund RAC projects.

We will present the City with viable strategies that would be recommended as alternatives for pavement upgrades using Value Engineering (cost benefit analysis) spreadsheets with detailed cost breakdowns for each strategy including comparisons based on the life span.

Having worked on more than 100 road rehabilitation design and CM projects, our Project Manager Mr. Kamran Saber, has extensive experience in Pavement Engineering and maintenance projects.

JMD will utilize recently obtained traffic counts to calculate a traffic index for Central Avenue. The existing traffic counts will be projected 20 years to develop a structural pavement section that meets a 20-year design life. This pavement section will be coordinated with LaBelle Marvin to determine the optimal structural pavement section.

JMD will prepare a Technical Memorandum which will include: location map, introduction, background, discussion of existing facilities, objectives, goals and policies, requirements, constraints, design alternatives, analysis, design deficiencies and exceptions with justification, geotechnical, cost/benefit analysis for alternatives, scheduling, engineering considerations, future conflicts, project reviews, environmental clearance, pre-design meeting, conclusion, and recommendation. A draft technical Memorandum will be submitted to the City for review and direction following an alternatives election meeting. The final Technical Memorandum will be signed by a Civil Engineer, registered in the State of California, to proceed to the next Phase (Design Development) following approval of the Technical memorandum and rehabilitation strategies by the City.

Phase II – 65% Design

Task II-1 – Preliminary Plans

After review and approval of the detailed recommendations, JMD will prepare preliminary construction plans for the proposed roadway improvements. JMD will develop preliminary plans to confirm that the proposed roadway improvements will not encroach or conflict within adjacent cities and County right of way. In addition, plans will comply with the regulations and standards of the City and State of California, as applicable. The following outlines the specific details of the design plans:

Title Sheet

JMD will prepare a title sheet containing a vicinity map, general and construction notes, construction legend, list of affected utilities, a drawing list and other details covering the project limits.

Typical Sections and Detail Plans

JMD will prepare typical sections and details at appropriate scales to illustrate existing and proposed roadway and structural pavement sections as well as provide miscellaneous construction sections and details.

Roadway Improvement Plans

JMD will prepare detailed roadway plans consisting of plan and profile at a scale of 1"=20', on City title block and detailing existing and proposed roadway features and details. The roadway plans will include recommended access ramps, driveways, and sidewalk improvements.

Intersection Plans

JMD will prepare detailed intersection plans at a scale of 1"=10', including intersection grids with elevations. The intersection plans will detail proposed widening and include curb ramps.

Signing and Striping Plans

JMD will prepare detailed signing and striping plans at a scale of 1"=40' using the City-provided title block. These plans will identify existing and proposed signing and striping features including bikeway features, as appropriate. Traffic signal loop replacements will also be shown on these plans.

Traffic Control Plans

JMD will prepare detailed traffic control plans at a scale of 1"=40' for up to two construction phases for roadway segments and up to nine construction stages at major intersections utilizing typical drawings to reduce the number of sheets.

Optional Drawings

The following drawings are not currently included in this proposal due to the straightforward nature of the project as confirmed with City staff. JMD, however, can prepare optional plans described below following negotiation and scope amendment with City staff.

Landscaping and Irrigation Plans

As an option, our landscape architect subconsultant, MIG, may prepare landscaping and irrigation plans at appropriate scales to detail proposed landscaping features and related irrigation within proposed sidewalks and raised median islands, as appropriate.

Storm Drain Modification Plans

JMD may prepare storm drain modification plans for proposed catch basin relocations. The plans would consist of plan and profile and would be prepared at a scale of 1"=20' (horizontal) and 1"=4' (vertical). The plans would detail catch basin relocations.

Traffic Signal Modification Plans

JMD may prepare traffic signal modification plans for modified signalized intersections. Traffic signal modification plans would be prepared at a scale of 1"=20' and include equipment schedules, conductor schedules as well as detail signal equipment modifications and traffic signal loop replacement.

Traffic Signal Interconnect Plans

JMD may prepare traffic signal interconnect plans covering signalized intersections along Central Avenue. The traffic signal interconnect plan would be prepared at a scale of 1"=40' and would include interconnected signal details.

Street Lighting Plans

JMD may analyze illumination levels required and prepare street lighting plans at a scale of 1"=40' and detailing the proposed undergrounding of existing roadway lighting with standard pull boxes and light standards. Lighting plan designs would be coordinated with our landscape architect, MIG, to ensure that proposed trees do not conflict and impede illumination levels required for proposed lighting.

Utility Relocation Plans

Due to the limited nature of the rehabilitation improvements, JMD has assumed that major utility relocation plans may not be necessary and are, therefore, not included in this proposal. However, JMD would assist in identifying potential conflicts, if any, with the City.

Storm Water Pollution Prevention Plans (SWPPP) (Optional)

If the City prefers SWPPP be prepared by the design consultant and not the Contractor, JMD may prepare storm water pollution prevention plans for the project before the start of construction.

Deliverables

The following are the estimated plan sheets and related quantities for the project:

Plan Sheets	Qty
Title Sheet	1
Typical Sections and Detail Plans	2
Roadway Improvement Plans	12
Intersection Detail Plans	3
Cross Sections	9
Signing and Striping Plans	3
Traffic Control Plans	8
Total	**29**
Total Plan Set*	**38**

* Excludes cross sections.

Task II-2 – Notice of Intent and SWPPP Construction Guidelines (Optional)

If not prepared by the Contractor, JMD may prepare, as an optional task, a notice of intent (NOI) to be filed with the State Water Resources Control Board (SWRCB). In addition, JMD would prepare a Storm Water Pollution Prevention Plan (SWPPP) guidelines designed to provide a guide for the Contractor to follow. The guidelines would include items such as Best Management Practices (BMPs) to be followed for the project.

Task II-3 – Construction Bid Items and Opinion of Probable Construction Cost

JMD will prepare a list of construction bid item quantities and construction cost estimates for the project elements, which will include a proposed item list, estimated quantities, and current unit cost resulting in line-item cost estimates. At the first plan check, a preliminary cost estimate will be developed for comparison with previous project budget estimates. Back-up of cost estimate calculations showing quantities and unit costs per sheet will be provided to the City for review with each submittal. During final design, JMD will prepare a final estimate to validate construction bids by contractors during the bidding process.

Tasks II-4 – Specifications

JMD will prepare technical specifications and Bid Package using Greenbook format as provided by the City. JMD will provide hard copy and digital (MS Word) formatted specifications to the City. This task assumes that the City will provide boilerplate and ultimate packaging of the specifications.

Task II-5 – Permitting

JMD will coordinate project efforts to obtain related permits from the City, County and other jurisdictions involved. The cost of the permits is not included in this task.

Phase III – 95% Design

Task III-1 – Address/Incorporate Comments and Prepare 95% Submittal

JMD will address and incorporate review comments provided by the City departments for the project. We anticipate a submittal of six (6) sets of plans (hard copies and digital pdf) for each submittal to the City for review. Separate plan sets will be submitted to utility agencies for review and comment.

Phase IV – Final (100%) Design

Task IV-1 – Address/Incorporate Comments and Prepare Final Submittal

JMD will address and incorporate review comments provided by the City departments for the project.

JMD will submit sealed original ink on mylar plan sheets and digital engineering plans and drawings on CD's in CAD format; sealed original hard copy and CD in MS Word and Excel format of the bid items, cost estimates, calculations and notes generated by the project.

The following are the proposed deliverables:

1. One (1) set of original plans on 24"x36" mylar sheets, one (1) set of reproducible half size plans, specifications, construction bid items and cost estimates.
2. Digital files of project plans in AutoCAD format.

Phase V – Bidding/Construction Design Support

Task V-1 – Bidding and Preconstruction Assistance

JMD will assist in answering questions regarding clarifications in the design during the bidding process, pre-bid meeting and preconstruction meeting. This task includes the preparation of minutes and addenda regarding omissions or conflicts in the design as well as answering questions, in writing, during the bid process. JMD will verify and evaluate bids, including accuracy/quality checks as well as provide input to the recommended lowest bidder for contract award.

Task V-2 – Design Support During Construction

JMD will assist the City by reviewing Requests for Information (RFIs) and shop drawings as well as addressing as needed design adjustments related to the project's construction activities.

Phase VI – Construction Management and Inspection (Optional)

Prepare pre-construction Corner Records for the found centerline monuments and centerline ties and process through the Los Angeles County Surveyor's Office. Deliver a copy of the filed Corner Records to the City of Compton.

Task VI-1 – Construction Management (Optional)

Under the direction of the City's Director of Public Works, JMD's Construction Manager will assist City staff with the following subtasks:

Administrative Support - Assist with the implementation of existing procedures for expediting and processing requests for information, shop drawings, material and equipment sample submittals, contract

schedule adjustments, change orders, request for material and/or equipment substitutes and payment requests. Implementing "in-house" measures to prioritize requests, provide minimum turnaround times, and avoid project delays.

Construction and Progress Meetings – Attend construction coordination/progress meetings to discuss matters such as progress, problems, procedures, and scheduling. Document and distribute meeting minutes to team members.

Course of Action Recommendations - Recommend the course of action to the City when the requirements of the contract are not being fulfilled and the non-performing party will not take satisfactory corrective action.

Labor Standards Compliance - Assist in obtaining compliance with the labor standards and related wage determination decisions of the Secretary of Labor.

Accounting Records - Maintaining cost accounting records for authorized work performed under unit costs, additional work performed on the basis of actual costs of labor and materials, or other work requiring accounting records.

Change Orders - Recommend necessary or desirable changes to the Project Representative, review requests for changes, prepare quantity calculations and estimate, assist with negotiating change proposals with the contractor, and prepare change orders for signature.

Progress Payments - Assist with the implementation of procedures for the review and processing of contractor progress payments and the proposed final estimate. Review monthly extra work bills submitted by the Contractor.

Environmental Mitigation Measures - Review with the contractor on environmental issues including, storm water pollution prevention plans (SWPPP), air quality, and any environmental permit requirements. Also monitor the implementation of these programs with our inspectors, especially making sure that drainage inlets are protected from slurry seal or fog seal application.

Shop Drawing Submittal and Review - Distribute shop drawings to the Project Representative and others as required for review and comment.

Contract Quality Review - Determine that work of the Contractor is being performed in accordance with the requirements of the contract.

Utilities - Assist the City's Project Manager with the coordination of the utility companies for relocations, abandonments, and/or upgrades.

Requests for Clarification - Consult with the Project Representative if the Contractor requires interpretations of the meaning and intent of the drawings or specifications and assist with addressing questions.

Daily Reports - Record the progress of the project by documenting daily events. Reports will specify daily activities, work done, equipment and field forces for the daily activities.

Record Maintenance - Maintain (at the project site) copies of contract drawings, specifications, addenda, change orders, and other modifications made during construction. Also, shop drawings, product data and samples, submittals, applicable handbooks, other related documents, and revisions that are relevant to the contract work will be maintained including a marked up copy of the "as-built" changes to be kept on site.

Materials Testing - Coordinate materials testing as required.

Closeout Documentation - Complete item adjustments and revise final pay estimates.

Claims - Assist in documenting all potential claims, maintain force account records, and assist in claim resolution during the closeout phase.

Task VI-2 – Inspection Support (Optional)

JMD's inspector will perform construction inspection and administration monitoring with the guidance of JMD's Construction Manager in accordance with the direction of the City. Our inspector will perform the following tasks:

Preparation before start of work – JMD's inspector will review and verify that all pavement cracks (that require sealing) are cleaned and sealed, thermal-plastic striping is removed (as required), and any other existing materials that are required to be removed prior to any street improvement activities taking place. Monitor construction traffic control. Inspections to achieve compliance with contract plans and specifications on all aspects of construction work.

Asphalt overlay - In order for the City to receive the most benefit from the asphalt overlay, JMD's inspector will monitor the patching of low spots to avoid poor adhesion. He will verify the material is correct and has the correct oil content before applying, and most importantly will make sure the streets are cleaned in advance to provide the best adhesion as highlighted below:

- Quantity calculations for progress pay estimates.
- Maintaining continuous communication with the City's Project Manager, field personnel, construction administration staff and project neighbors.
- Assisting the City's Project Manager on the impact of the work on the traveling public.
- Providing suggestions to resolve any related problems.
- Assisting with the preparation of records, reports, change orders, and correspondences related to the construction.
- JMD will provide a seamless team for the City to inspect and document the construction activities.
- Typical inspection services include (some tasks may not apply to this project):

- Provide a part-time construction inspection as directed by the City. This will be on a time and materials basis and limited to the number of hours included in the proposed fee;
- Attend the Construction job-site meetings with City staff, Engineer and Contractor;
- Utility Company Coordination;
- Maintain a Daily Observation Report which will describe in detail all work accomplished on a daily basis, weather conditions, number of personnel employed at the site by the Contractor, quantities of materials incorporated into the project, construction equipment at the site, deliveries of construction materials, material shortages, tests, labor disputes, general observations, and any unusual occurrences The report will also outline discussions with the public, Contractor, City staff, and instructions details or agreements with the Contractor;
- Perform continuous on-site inspections of all construction work performed under contract to the City, as applicable, including structural excavation, safety, trench shoring, earth moving operations, installation of trench shoring, fabrication and erection of structural steel, erection of concrete forms and false work, erection of reinforced steel, placement of concrete into reinforced concrete drainage structures such as catch basins, culverts and junction structures. Placement of concrete street improvement structures such as curb and gutter, sidewalks, and drive approaches. Construction of roadway improvements including fine grading preparation of subbase material, placement of aggregate base material and asphalt concrete or other paving material;
- Conduct job site inspections to assure that the required equipment, materials, and methods of construction are in compliance with the contract drawings, specifications, and regulatory codes;
- Observe if Construction Contractor's implementation of the projects' Storm Water Pollution Prevention Plan (SWPPP) and/or Best Management Practices (BMP) is in accordance with the plans and specifications. Document and report on SWPPP and/or BMP deficiencies to the City Project Manager;
- Establish and maintain a submittal log for required submittals of shop drawings, material and equipment testing results and certifications;
- Monitor the Contractor's compliance with pertinent local, state, and federal laws, ordinances, rules, regulations, regulatory/resource agency permits, and orders as directed by the city;
- Verify and sign contractor's daily extra work reports and force account (time & materials) work;
- Evaluate Construction operation with respect to completeness, progress and schedule;
- Review Project Site traffic control;
- Coordinate Contractor's field activities to minimize inconvenience to the roadway users, adjacent businesses and residences;
- Coordinate activities of Materials Testing Lab and attach copies of test or work results to daily report;
- Review construction safety, public safety and convenience and report to City;

- When directed by City staff, interface with and address public complaints and/or concerns;
- Maintain project records and information for "as-built" plan markups;
- Review contractor payment requests, verify field quantities and provide the City with recommendations;
- Receive and process contractor's certified payroll for conformance of prevailing wages;
- Review Contractor's change order request, notify, and provide assistance to the City in the preparation and negotiation of all change orders;
- Review approved revisions made to the plans and specifications and follow-up on Contractor action;
- Take construction photos in digital media, capturing all critical activities. These photos will be properly catalogued and submitted to the City as part of the permanent construction record;
- Conduct pre-final inspection and prepare "Punch List" documenting incomplete or corrective work;
- Measure and compute all final construction quantities for pay items in accordance with the contract specifications. Prepare notice of completion that the work has been completed in accordance with the drawings and specifications and that the final estimates of payment to the Construction Contractor are correct.
- Observe placement of construction signs and traffic control devices and immediately notify contractor of any deficiencies. Notify proper authorities of lane and ramp closures. Ensure that the window of closure and opening hours are followed.

Task VI-3 – Federal Documentation (Optional)

As an optional task, JMD's Project Manager may assist City staff with the completion of Federal documentation needed for project closeout and reimbursement.

Task VI-4 – Construction Surveying and Staking (Optional)

Our subconsultant, FHA Consulting, will provide construction surveying and staking for the project, This includes reestablishing monuments displaced or removed by construction activities.

Task VI-5 – Materials Testing (Optional)

Our subconsultant, HAI or GEI, will conduct materials testing in support of construction activities.

Task VI-6 – Additional Potholing (Optional)

JMD will provide potholing for up to six (6) additional locations.

Task VI-7 – As-Built Plans

Upon construction completion, JMD will prepare as-built plans including design modifications recorded during construction. As-built plans will be submitted to the City for record purposes.

Proposed Fee*

JMD will perform the Scope of Services outlined below for the following amounts (detailed in the Fee Proposal table enclosed at the end of this proposal) on a lump sum, not-to-exceed, basis by task (except for Optional Tasks) as follows.

Design	
Task 0-1 – Project Administration, Coordination and Meetings	$ 8,920.00
Task I-2 – Research/Data Collection/Utility Coordination/Permitting	$ 5,814.00
Task I-3 – Geotechnical Analysis/Report	$ 9,325.00
Task I-4 – Surveying and Base Plans	$ 22,696.00
Task I-6 – Pavement Engineering/Traffic Index Calculations	$ 2,012.00
Task II-1 – Preliminary Plans	$ 39,980.00
Task II-3 – Construction Bid Items and Opinion of Probable Construction Cost	$ 1,398.00
Task II-4 – Specifications	$ 3,066.00
Task II-5 – Permitting	$ 1,712.00
Task III-1 – Address/Incorporate Comments and Prepare 95% Submittal	$ 18,480.00
Task IV-1 – Address/Incorporate Comments and Prepare Final Submittal	$ 6,248.00
Task V-1 – Bidding and Preconstruction Assistance	$ 2,430.00
Task V-2 – Design Support During Construction	$ 6,234.00
Task VI-7 – As-Built Plans	$ 3,012.00
TOTAL	**$ 131,327.00**
Construction Management Services	
Task VI-1 – Construction Management (Optional)	$ 14,380.00
Task VI-2 – Inspection Support (Optional)	$ 59,060.00
Task VI-4 – Construction Surveying and Staking (Optional)	$ 51,920.00
Task VI-5 – Materials Testing (Optional)	$ 22,420.00
Task VI-6 – Additional Potholing (Optional)	$ 4,640.00
TOTAL	**$ 152,420.00**

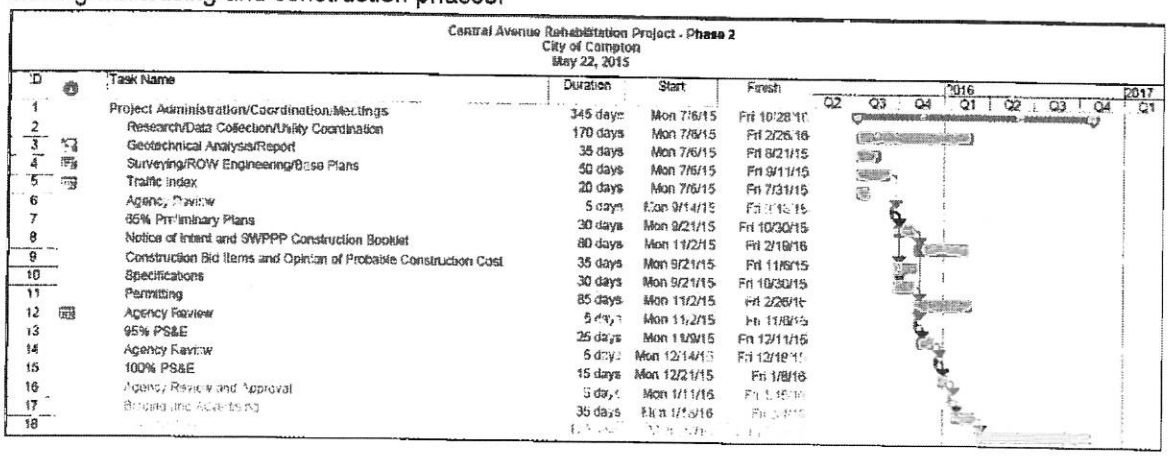
Assumptions

- ❑ Rates are subject to a 5% annual increase on January 1.
- ❑ Assumes eight (8) meetings for the entire project.
- ❑ Assumes an advertisement and bidding period of 30 working days.
- ❑ Assumes a construction period of 160 working days.
- ❑ See scope of work for additional assumptions.
- ❑ The cost of permits is not included.

JMD

Schedule

JMD proposes a project schedule, illustrated below, totaling **69 weeks** and covering design, bidding/advertising and construction phases.



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, PE, MBA
President/CEO

JMD/mc
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Enclosures

cc: Johnny Ford, City of Compton
Mike Kashiwagi, Interwest Consulting Group
Project File

JMD

Fee Proposal[a-f]

Central Avenue Rehabilitation Project (Segment 3)

City of Compton

Submitted by: JMD

May 26, 2015

TASK	DESCRIPTION	PRINCIPAL	PROJECT/ CONST. MANAGER	QA/QC MANAGER	SR TRAFFIC ENG	SR CIVIL ENG	CONST. INSPECTOR	DES ENG	DES/ CAD OPER	CLERICAL	INTERN	TOTAL LABOR HOURS	DIRECT COSTS*	TOTAL COSTS	REMARKS
		$170	$160	$160	$125	$110	$100	$80	$87	$35	$40				
PHASE 0 - PROJECT INITIATION AND MANAGEMENT															
0-1	Project Administration/Coordination/Meetings (assumes 10 meetings)[b]	0	50	0	0	0	0	0	0	12	0	62	$500	$8,920	* Deliveries/Mileage/Reproduction
PHASE I - PRELIMINARY DESIGN (35%)															
I-2	Research/Data Collection/Utility Coordination	0	6	0	6	0	0	6	12	8	6	44	$2,300	$5,814	* Potholing at two (2) locations
I-3	Geotechnical Analysis/Report	0	2	0	0	0	0	0	0	0	0	2	$9,005	$9,325	* Geo-Environmental, Inc.
I-4	Surveying and Base Plans[d]	0	0	0	0	4	0	4	8	6	6	28	$20,950	$22,696	* FHA Consulting
I-5	Hydrology/Hydraulic Analysis Report (Optional)														
I-6	Pavement Engineering/Traffic Index Calculations	0	6	0	4	0	0	0	6	2	2	20		$2,012	
PHASE II - 65% DESIGN															
II-1a	Title Sheet (1 sheet)	0	1	1	0	1	0	4	16	0	4	27	$50	$2,032	* Deliveries/Mileage/Reproduction
II-1b	Typical Sections and Detail Plans (2 sheets)	0	1	1	0	8	0	10	20	4	8	52	$50	$3,850	* Deliveries/Mileage/Reproduction
II-1c	Roadway Improvement Plans (12 sheets)	4	16	4	0	8	0	40	100	8	20	200	$50	$15,790	* Deliveries/Mileage/Reproduction
II-1e	Storm Drain Modification Plans (Optional)[d]	0	0	0	0	0	0	0	0	0	0	0	$0	$0	* Deliveries/Mileage/Reproduction
II-1f	Intersection Detail Plans (3 sheets)	1	1	2	4	4	0	4	16	0	4	36	$50	$3,192	* Deliveries/Mileage/Reproduction
II-1g	Cross Sections (9 sheets)	1	2	1	0	4	0	10	32	0	12	62	$50	$4,564	* Deliveries/Mileage/Reproduction
II-1h	Signing and Striping Plans (3 sheets)	0	2	2	0	4	0	8	24	0	12	52	$50	$3,858	* Deliveries/Mileage/Reproduction
II-1i	Traffic Signal Modification Plans (Optional)	0	0	0	0	0	0	0	0	0	0	0	$0	$0	* Deliveries/Mileage/Reproduction
II-1j	Traffic Signal Interconnect Plan (Optional)	0	0	0	0	0	0	0	0	0	0	0	$0	$0	* Deliveries/Mileage/Reproduction
II-1k	Street Lighting Plans (Optional)	0	0	0	0	0	0	0	0	0	0	0	$0	$0	* Deliveries/Mileage/Reproduction
II-1l	Landscaping and Irrigation Plans (Optional)	0	0	0	0	0	0	0	0	0		0	$0	$0	* MIG, Inc.
II-1m	Traffic Control Plans (8 sheets)	0	1	2	4	16	0	16	32	0	12	83	$50	$6,694	* Deliveries/Mileage/Reproduction
II-2	Notice of Intent and SWPPP Construction Guidelines (Optional)														* Deliveries/Mileage/Reproduction
II-3	Construction Bid Items and Opinion of Probable Construction Cost	0	1	1	0	4	0	2	4	0	4	16	$50	$1,398	* Deliveries/Mileage/Reproduction
II-4	Specifications	0	4	4	0	4	0	4	8	8	4	36	$50	$3,066	* Deliveries/Mileage/Reproduction
II-5	Permitting	0	6	0	0	0	0	0	6	4	4	20	$50	$1,712	* Deliveries/Mileage/Reproduction
PHASE III - 95% DESIGN															
III-1	Address/Incorporate Comments and Prepare 95% Submittal	4	8	4	8	12	0	40	70	12	130	288	$50	$18,480	* Deliveries/Mileage/Reproduction
PHASE IV - FINAL (100%) DESIGN															
IV-1	Address/Incorporate Comments and Prepare Final Submittal	2	4	2	4	6	0	20	24	6	8	76	$50	$6,248	* Deliveries/Mileage/Reproduction
PHASE V - BIDDING/CONSTRUCTION DESIGN SUPPORT															
V-1	Bidding and Preconstruction Assistance	0	14	0	0	0	0	0	0	4	0	18	$50	$2,430	* Deliveries/Mileage/Reproduction
V-2	Design Support During Construction	0	14	0	8	8	0	12	12	4	4	62	$50	$6,234	* Deliveries/Mileage/Reproduction
PHASE VI - CONSTRUCTION MANAGEMENT AND INSPECTION (OPTIONAL)															
VI-1	Construction Management[b,c]	4	80	0	0	0	0	0	0	20	0	104	$200	$14,380	* Deliveries/Mileage/Reproduction
VI-2	Inspection Support[c]	0	0	0	0	0	580	0	0	16	0	596	$500	$59,060	* Deliveries/Mileage/Reproduction
VI-3	Federal Documentation (Optional)														
VI-4	Construction Surveying and Staking	0	12	0	0	0	0	0	0	0	0	12	$50,000	$51,920	* FHA Consulting
VI-5	Materials Testing	0	12	0	0	0	0	0	0	0	0	12	$20,500	$22,420	* HAI or GEO Environmental, Inc.
VI-6	Additional Potholing	0	4	0	0	0	0	0	0	0	0	4	$4,000	$4,640	* Additional four (4) potholes
VI-7	As-Built Plans	0	2	0	0	0	0	16	16	0	6	40	$100	$3,012	* Deliveries/Mileage/Reproduction
TOTAL ESTIMATED LABOR HOURS		**16**	**249**	**24**	**38**	**83**	**580**	**196**	**406**	**114**	**246**	**1952**	**$108,755**		
TOTAL ESTIMATED DESIGN COST (WITHOUT OPTIONS)														**$131,327.00**	

Notes:

a Rates are subject to a 5% annual increase on January 1.
b Assumes eight (8) meetings for the entire project.
c Assumes a advertisement and bidding period of 30 working days.
d Assumes a construction period of 90 working days.
e See scope of work for additional assumptions.
f The cost of permits is not included in this proposal.

feeproposal.xls

CITY OF COMPTON

Central Avenue Pavement Rehabilitation Planning Report

April 2015

By: Kamran Saber, PE
JMD, Inc.

Assumptions/ Protocols

- The City intends to rehab. approximately one (1) of mile of the facility
- This is a planning stage report
- Central Ave within the City limits is divided into 3 segments sequentially numbered from from north to south
- The main objective of this project is to rehabilitate the pavement. Sidewalk, curb&gutter, beautification, traffic circulation enhancements are considered ancillary objectives
- All quantities and costs are estimates and for planning purposes only
- PCI= Pavement Condition Index; PCI=100 for brand new road and PCI=0 for completely failed pavement
- The budget estimate for Design and CM Services combined is 20% of construction cost

Options

(Refer to the report for description of segments)

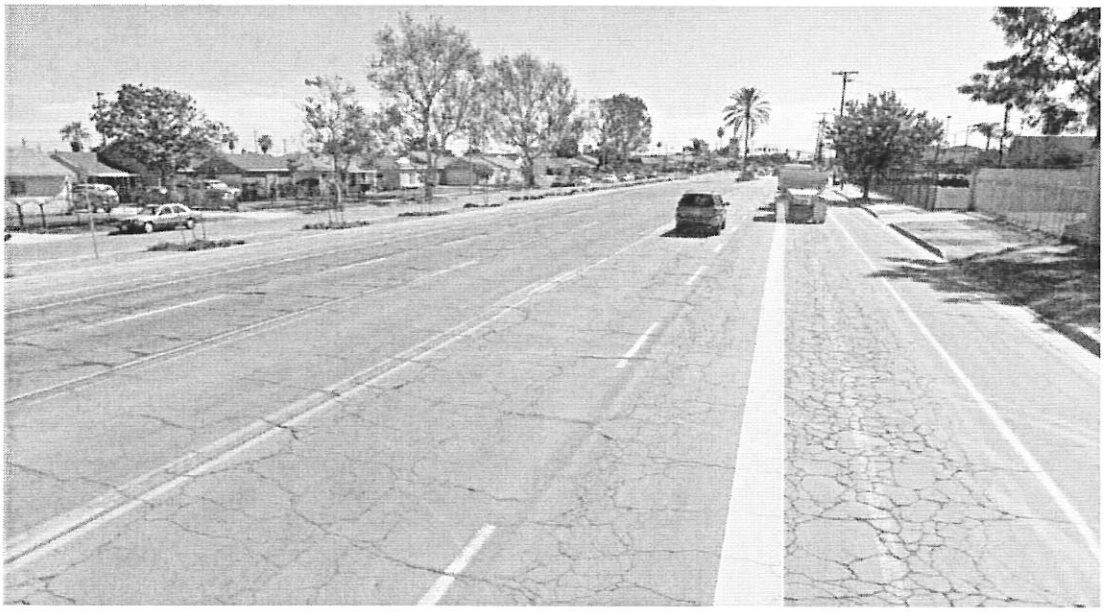
1. Select combined Segments 1&2 from 131st Street (just south of Centennial H.S.) to Compton Blvd. with a total length of 1.07 miles and estimated construction cost of $1.5M, or

2. Select Segment 3 from Compton Blvd. to Lincoln Memorial Park with a total length of 0.97 miles and estimated construction cost of $1.1M

Recommendation

JMD recommends option 1 which is a project covering Segment 1 and Segment 2 because it will be a logical continuation of the good pavement in front of Centennial HS (south of El Segundo Blvd.) In addition, it seems Segments 1&2 carry higher percentage of Compton citizens than Segments 3 does.

Segment 1 - From 131st Street to almost 500 feet south of 139th Street



Segment 1 Description: Starting point for this Segment will be 131st Street south of Centennial H.S. The pavement within this segment is in "Poor" condition in contrast with the pavement in front of High School to El Segundo Blvd. which is is in a "good" condition and , therefore, it is logical to continue this good pavement further south by rehabilitating the pavement in this Segment.

Observed sidewalk is missing along west side of this segment from Sam Littleton Street for a length of approximately 1,600 Ft. to the south.

- Length: 3,030 Ft., **0.57 Miles**
- Average Width: 73 Ft.
- AC Pavement Area: 222,250 SF
- PCI (Field Estimate): ≤ 40
- Rehab Recommendation : Minimum a thick overlay or Full Depth Reclamation (FDR)
- Pavement Rehab Minimum Cost: **$500,000**
- Curb& gutter, sidewalk, and Ramps= **$100,000**
- Miscellaneous (Mobil., Striping,..) = **$100,000**
- Contingencies = **$100,000**

Total Construction for Segment 1 = $800,000

Segment 2 - From Rosecrans Ave. to Compton Blvd.

Segment 2 Description: This segment consists of two types of pavement, a 30-foot wide concrete (PCC) portion almost in the middle of the facility flanked by AC pavements on both sides with a combined AC width of 46 feet. The AC Pavement in this segment is in "Poor" Condition; however, the Concrete portion is in "Fair" Condition, albeit with numerous cracks and potholes . No replacement for the PCC portion is envisioned, instead, a combination of crack routing/filling as well as local concrete Removal & Replacement (R&R) is envisioned.

- Length: 2,500 Ft., **0.47 Miles**
- Average Width: 76 Ft. (Concrete 30 Ft., AC 46 Ft.)
- Area for AC Pavement : 116,000 SF
- Area for PCC Pavement: 76,500 SF
- PCI for AC (Field Estimate): ≤ 45
- PCI for Concrete : 50-60
- Rehab Recommendations: minimum thick overlay for AC portion or FDR method and crack routing/filling as well as localized concrete Removal & Replacement for PCC portion.

- AC Pavement Rehab Cost: **$240,000**
- PCC Repair: **$160,000**
- Curb& gutter, sidewalk, and Ramps= **$100,000**
- Miscellaneous (Mobil., Striping,..) = **$100,000**
- Contingencies = **$100,000**

Total Construction for Segment 2 = $700,000

Segment 3 – From Compton Blvd. to Lincoln Memorial Park

Segment 3 Description: Except for a short distance north of Alondra Blvd, Pavement Condition, within this segment, worsens and drops to mid-30s. There is a land/hard scaped median in the middle of this segment with "shed" gutters in some areas. Shed gutters along medians make rehab. design more challenging.

- Length: 5,200 ., **0.97 Miles**
- Average Width: 73 Ft.
- Area: 400,000 SF
- PCI for (Field Estimate): ≤ 35
- Rehab Recommendation : Thick Overlay or FDR method. The latter is recommended
- Pavement Rehab Cost: **$850,000**
- Curb& gutter, sidewalk, and Ramps= **$50,000**
- Miscellaneous (Mobil., Striping,..) = **$100,000**
- Contingencies = **$100,000**

Total Construction for Segment 3 = $1,100,000

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 AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC. TO PERFORM ADDITIONAL ENGINEERING DESIGN SERVICES FOR CENTRAL AVENUE CORRIDOR PAVEMENT REHABILITATION PROJECT PHASE II ($131,327)**

Glen Kau	**7/16/2015 6:36:21 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/23/2015 4:49:58 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/22/2015 4:37:26 PM**
CITY CONTROLLER	DATE
Johnny Ford	**7/18/2015 1:00:48 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.

July 28, 2015

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: STEVEN MASURA, DIRECTOR
COMMUNITY DEVELOPMENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH INTERWEST CONSULTING GROUP TO PROVIDE COMPLEX PLAN CHECKS, EXPEDITED PLAN CHECKS AND SUPPLEMENTAL PLAN CHECKS FOR THE BRICKYARD PROJECT ($115,818.00)

SUMMARY

City Council adoption of the attached resolution will amend the 2015-2016 Fiscal Year budget, increasing revenues and expenditures by $157,572, and authorize the City Manager to enter into a professional services agreement with Interwest Consulting Group ("Interwest") to provide complex, expedited and supplemental plan check services for the City's Building and Safety Department specifically for the Brickyard Project. Additionally, a purchase order for the costs of the plan check services to be rendered is requested in the amount of $115,818.00.

BACKGROUND

The City has a contract with Interwest to provide "as-needed" plan check services for the Building and Safety Department, however, that agreement is utilized primarily as a method of providing assistance to the Department occasioned by insufficient staffing and resources to meet the needs of complex plan checking, expedited plan checking and supplemental plan checking services. Due to the magnitude of services that will be required for the Brickyard Project, the current agreement with Interwest would swiftly exceed the compensation authorized and the scope of services agreed to. The recently approved Brickyard Project will be better served if a separate agreement is utilized to cover only the scope of services required to provide necessary and required review services for the Brickyard Project.

STATEMENT OF THE ISSUE

The Brickyard Project will include extensive construction within the public right-of-way, including coordination with multiple outside agencies for coordination of street and utility improvements, routing, design and construction, design and construction of new signalized intersections, construction of extensive on-site improvements, filing of a final

map to consolidate existing parcels, and construction of two large warehouse shell buildings. It is important that the City employ the services of a qualified civil engineering firm capable of devoting a sufficient number of experienced staff to provide comprehensive plan review services for the Brickyard Project. Utilizing Interwest for this project will provide the City with confidence that the Brickyard Project is adequately and thoroughly reviewed while allowing City staff the ability to focus on and provide a higher level of customer service to residents and the business community.

FISCAL IMPACT

There will be no fiscal impact to the City as the contract compensation owed to the Consultant will collected by the City from LA Brickyard LLC through plan check fees and separate hourly billings to the applicant and deposited in the General Fund. The anticipated contract cost for the specialized plan check services for the Brickyard Project is $115,818.00; however this additional expenditure cannot be accommodated in the adopted Fiscal Year 2015-2016 Building and Safety Department budget. This item is a unique and unanticipated event due to the nature of the Brickyard project. The additional funds will come from the increased revenues from the fees paid for this project. The contract amount, plus 36% administration costs, increases the expenditure amount to $157,512.00.

A budget amendment will need to be approved increasing the Fiscal Year 2015-2016 revenue for the Building and Safety Department by $157,512.00 (Account #1001-000-000-3640, Plan Checking Fees) and increasing expenditures of the Building and Safety Department by $157,512.00 (Account #1001-77-0000-4269, Other Contract Services) to cover the services of this contract.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

STEVEN MASURA, DIRECTOR
COMMUNITY DEVELOPMENT

APPROVED FOR FORWARDING:

JOHNNY FORD
CITY MANAGER

Attachments:
Bid/Task Letter
Resolution
Proposed Contract

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH INTERWEST CONSULTING GROUP TO PROVIDE COMPLEX PLAN CHECKS, EXPEDITED PLAN CHECKS AND SUPPLEMENTAL PLAN CHECKS FOR THE BRICKYARD PROJECT ($115,818.00)

WHEREAS, the recently approved Brickyard Project will include extensive construction within the public right-of-way, including coordination with multiple outside agencies for coordination of street and utility improvements, routing, design and construction, design and construction of new signalized intersections, construction of extensive on-site improvements, filing of a final map to consolidate existing parcels, and construction of two large warehouse shell buildings, thus It is important that the City employ the services of a qualified civil engineering firm capable of devoting a sufficient number of experienced staff to provide comprehensive plan review services for the Brickyard Project; and

WHEREAS, the City has a contract with Interwest Consulting Group ("Interwest") to provide "as-needed" plan check services for the Building and Safety Department ("Department"), however, that agreement is utilized primarily as a method of providing assistance to the Department occasioned by insufficient staffing and resources to meet the needs of complex plan checking, expedited plan checking and supplemental plan checking services; and

WHEREAS, due to the magnitude of services that will be required for the Brickyard Project, the current agreement with Interwest would swiftly exceed the compensation authorized and the scope of services agreed to and therefore, the Brickyard Project will be better served if a separate agreement is utilized to cover only the scope of services required to provide necessary and required review services for the Brickyard Project, which will provide the City with confidence that the Brickyard Project is adequately and thoroughly reviewed while allowing City staff the ability to focus on and provide a higher level of customer service to residents and the business community; and

WHEREAS, there will be no fiscal impact to the City as the contract compensation owed to the Consultant will collected by the City from LA Brickyard LLC through plan check fees and separate hourly billings to the applicant, however, this additional expenditure cannot be accommodated in the adopted Fiscal Year 2015-2016 Building and Safety Department budget, thus, a budget amendment is needed to increase the Fiscal Year 2015-2016 revenues and expenditures, including 36% administration costs; 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.

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

Section 1. That the 2015-2016 Fiscal Year budget shall be amended as follows:

Increase Revenues	**Plan Checking Fees (Account #1001-000-000-3640)**	**$157,512**
Increase Expenditures	**Other Contract Services (Account #1001-77-0000-4269)**	**$157,512**

#12.

Section 2. That the City Manager, upon the advice and approval of the City Attorney is hereby authorized to enter into a professional Services agreement with Interwest Consulting Group for the provision of complex plan checks, expedited plan check, supplemental plan checks and inspection services for the Brickyard Project in the amount of $115,818.00.

Section 3. That the funds are authorized to be paid from the Building and Safety Department Budget in the amount of $115,818.00.

Section 4. That a purchase order is authorized to be issued in the amount of $115,818.00.

Section 5. That a certified copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Controller, Planning and Economic Development and Building and Safety Department.

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-
ABSTAIN: COUNCIL MEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COMPTON AND INTERWEST CONSULTING GROUP

This **AGREEMENT** 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 **INTERWEST CONSULTING GROUP,** (hereinafter referred to as **"CONSULTANT"**) located at 9300 West Stockton Boulevard, Suite 105, Elk Grove, California 95758.

RECITALS:

WHEREAS, the City has determined that there is a need to employ the services of a qualified and experienced civil engineering firm to provide complex plan checks, expedited plan checks, supplemental plan checks and inspection services specifically for the Brickyard Project; and

WHEREAS, Consultant (Interwest Consulting Group) 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, by Resolution No. _____, adopted on the ____ day of _____ 2015, the City Council gave approval to award a contract to the Consultant to provide the services required by this Project; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

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 provide civil engineering and inspection services on behalf of the City for the Brickyard Project to include but not be limited to:

- Building Plan Review
- Fire Plan Review
- On-Site Civil Improvement Plan Review and Grading Plan Review
- Review of Proposed final Map
- Review of Public Improvement Plans

As more detailed in Consultant's **"Task Order for Plan Review Services – Brickyard Project"** dated June 1, 2015 and incorporated herein by this reference.

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.

Michael Kashiwagi, P.E., Director of Municipal Services of Consultant, shall be primarily responsible for representing Consultant in performance of this Agreement.

2. Duration of Contract. 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 assigned to Consultant is complete or the authorized funding is exhausted, whichever occurs first, unless terminated earlier as provided herein.

3. Compensation. The method of payment for the services will be based on a fee-for-services basis, billable at the rates identified within Consultant's **"Schedule of Hourly Billing Rates"** and the **"Compensation/Budget Summary"**, included with Consultant's **Proposal,** which is incorporated herein. It is understood and agreed between the parties that the maximum compensation payable for the services provided by the Consultant during the term of this Agreement shall be limited to a not-to-exceed amount of **One Hundred Fifteen Thousand Eight Hundred Eighteen Dollars ($115,818.00).** 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**.**

Consultant will generally adhere to the schedule set forth by the 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.

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, Community Development** 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. 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-indicated insureds 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 insureds"** 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. 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.

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.

_____ _____

Michael Kashiwagi, P.E., Director **Date**
Muncipal Services

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:

Interwest Consulting Group
9300 West Stockton Boulevard, Suite 105
Elk Grove, California 95758
Attn: Ron Beehler, SE, CBO
Regional Manager
(916) 683-3340
(916) 683-3375 – fax.
www.interwestgrp.com

To City:

City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director, Community Development
(310) 605-5532
(310) 761-1488 – fax.

With 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.

INTERWEST CONSULTING GROUP
CONSULTANT

Dated: _____ **By _____**
Michael Kashiwagi, P.E., Director
Municipal Services

CITY OF COMPTON
Recommended for Approval:

Dated: _____ **By _____**
Steve 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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Planning**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2015-2016 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH INTERWEST CONSULTING GROUP TO PROVIDE COMPLEX PLAN CHECKS, EXPEDITED PLAN CHECKS, AND SUPPLEMENTAL PLAN CHECKS FOR THE BRICKYARD PROJECT ($115,818.00)**

Steven Masura	**7/23/2015 12:42:05 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/23/2015 3:35:47 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/23/2015 3:15:50 PM**
CITY CONTROLLER	DATE
Kelly Montgomery	**7/23/2015 2:08:19 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.

July 14, 2015

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **STEPHEN AJOBIEWE**
CITY CONTROLLER

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2015-2016**

SUMMARY

This resolution is for the City Council to authorize the adoption of the Appropriation Limit pursuant to Article XIIIB of the California Constitution and to establish the maximum Fiscal Year 2015-2016 Annual Appropriation Limit for the City of Compton.

BACKGROUND

In November 1979, California voters approved Proposition 4 (Prop 4) commonly known as the Gann Initiative ("GANN"). Prop 4 created Article XIIIB of the State of California Constitution which placed limits on the amount of Tax Revenue Proceeds appropriated each fiscal year. Restricted revenues noted in Article XIIIB are those referred to as "Proceeds of Taxes." The City may not appropriate money over and above the GANN Appropriation Limit. This is part of the means to enable local governments control expenditures.

The high inflation rates in the early 1980's caused the appropriation limit to increase faster than the growth in revenues. To alleviate the increasing complaints regarding Prop 4 restrictions, voters approved Proposition 111 (Prop 111) in June 1990. The proposition provided new adjustment formulas which made the limit more responsive to local growth issues.

The annual growth factors used in calculating the City's Appropriation Limit are as follows:

a) Inflation factor :- the calculation includes the percentage (%) change in California Per Capita Income. The State Department of Finance provided this information to the cities, including the City of Compton.

b) Population factor :- the calculation includes the percentage (%) change in population in the City of Compton. This population information was also provided by the State Department of Finance.

Staff has prepared the City of Compton's Appropriation Limit for Fiscal Year 2015-2016 utilizing the following:

a) California's change in Per Capita Income **(CPI)** of **3.82%**
(Per Capital Income converted to ratio =1.0382)

b) Compton's change in population of **0.39%**
(Population change converted to ratio = **1.0039**)

Utilizing the above factors, the City of Compton's Appropriation Limit for Fiscal Year 2015-2016 is as follows:

	Amount
Maximum Appropriation Limit for Fiscal Year 2015-2016	$92,909,589
Proceeds of Taxes	$56,000,533
Difference - City is under the Appropriation Limit	**$36,909,056**

As the above figures indicate, the City of Compton did not exceed its Appropriation Limit but was actually under the appropriation limit by $36,909,056 for Fiscal Year 2015-2016. This is in compliance with Article XIIIB of the California Constitution and Proposition III.

STATEMENT OF THE ISSUE

The City's Gann Appropriation Limit for the Fiscal Year 2015-2016 is **$92,909,589** pursuant to Article XIIIB of the State Constitution. The Proceeds of Taxes amounted to **$56,000,533**. Therefore, the City of Compton is under its Maximum Appropriation Limit by $36,909,056. The City's staff prepared the attached resolution to conform to Article XIIIB of the California Constitution and Proposition 111. The City therefore established its Gann Appropriation Limit for Fiscal Year 2015-2016 at $92,909,589.

ALTERNATIVE

The City will not be in compliance with the Appropriation Limit law if the GANN Appropriation Limit is not computed and monitored to ensure that the City is within the required limit.

FINANCIAL IMPACT

There is no financial impact.

RECOMMENDATION

Staff respectfully recommends that the City Council adopt the attached resolution.

STEPHEN AJOBIEWE
CITY CONTROLLER

APPROVED FOR FORWARDING:

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2015-2016

WHEREAS, on November 6, 1979, the voters of California added Article XIIIB to the State Constitution, placing various limitations on the budget appropriations of the State and Local Governments; and

WHEREAS, Article XIIIB provides that the appropriation limit for the Fiscal Year 2015-2016 should be calculated by adjusting the base year appropriation of Fiscal Year 1978-79 for changes in the cost of living and population; and

WHEREAS, the information necessary for computing the first-year appropriation limit is the Annual Budget for Fiscal Year 1978-79 and the amended Annual Report of Financial Transactions to the State Controller for Fiscal Year 1978-1979 which are on file in the Office of the City Clerk; and

WHEREAS, the City of Compton has complied with provisions of Article XIIIB regarding determination of the Appropriation Limit for Fiscal Year 2015-2016.

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

Section 1. That the Appropriation Limit for Fiscal Year 2015-2016 of the City of Compton shall be Ninety Two Million, Nine Hundred and Nine Thousand, Five Hundred and Eighty Nine Dollars **($92,909,589**).

Section 2. That the Appropriation Limit for Fiscal Year 2015-2016 of **$92,909,589** exceeds the Proceeds of Taxes included in the Fiscal Year 2015-2016 budget in compliance with Article XIIIB of the California Constitution and Proposition 111 and therefore, the City is under its Appropriation Limit.

Section 3. That the growth factors used in calculating the Fiscal Year 2015 -2016 Appropriation Limit are the percentage change in California per capita income and the percentage change in population in the City of Compton.

Section 4. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Controller and City Clerk.

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 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-
ABSENT: COUNCIL MEMBERS-
ABSTAIN: COUNCIL MEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Controller**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2015-2016**

<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.

July 28, 2015

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON SUPPORTING THE ADOPTION OF CALIFORNIA ASSEMBLY BILL (AB) 266 TO ESTABLISH A REGULATORY FRAMEWORK FOR MEDICAL MARIJUANA USE IN CALIFORNIA AND TO PROTECT THE LOCAL CONTROL AUTHORITY OF CITIES AND COUNTIES**

SUMMARY

Councilperson Yvonne Arceneaux has requested that a resolution be brought forth for City Council consideration and approval that will register the City of Compton's support of the adoption of California Assembly Bill (AB) 266 to establish a regulatory framework for medical marijuana use in California and to protect the local control authority of cities and counties.

BACKGROUND

In 1996, California voters passed Proposition 215, also known as the Compassionate Use Act (CUA), which legalized the medical use of marijuana in California. The CUA decriminalizes the use of marijuana for medical purposes, provides for patient access to medical marijuana, and prevents doctors from being penalized for making medical marijuana recommendations. The CUA, however, did not provide an effective way for law enforcement to properly identify patients who were legally protected by the CUA.

In 2003, the California legislature subsequently passed Senate Bill (SB) 420, also known as the Medical Marijuana Program Act (MMPA), which clarified to some extent the scope and application of the CUA. SB 420 established a medical marijuana card program that provided patients and their caregivers with a form of identification that would protect them against wrongful arrest and prosecution as well as created a legal framework for non-profit collectives and cooperatives to cultivate and distribute marijuana for medical purposes.

STATEMENT OF ISSUE

Since the approval by voters in 1996 of the Compassionate Use Act (Proposition 215) and the legislature's passage of the Medical Marijuana Program Act (SB 420) in 2003, no broader and feasible regulatory structure for medical marijuana use in California has been established. The CUA has been marked by conflicting authorities, regulatory chaos, intermittent federal enforcement action, and series of lawsuits which have tested the limits of the CUA and focused on the extent of the authority of local government.

California Assembly Bill (AB) 266 establishes a licensing and regulatory framework for medical marijuana under the Medical Cannabis Regulation and Control Act (ACT) and would establish the Office of Marijuana Regulation within the Office of the Governor; the Division of Medical Cannabis Regulation within the State Board of Equalization; the Division of Medical Cannabis Manufacturing and Testing within the California Department of Public Health; and the Division of Medical Cannabis Cultivation within the California Department of Food and Agriculture. The ACT would, in that connection, also set forth the duties of each of these respective regulatory authorities.

Specifically, AB 266 gives the Governor's Office of Marijuana Regulation (Office) and licensing authorities the authority necessary to implement this ACT but protects the local control authority of cities and counties. According to AB 266, nothing in the ACT prevents a local government from adopting or enforcing an ordinance or other law that bans or regulates the location, operation, or establishment of a licensee or other person that engages in commercial cannabis activity. In fact, AB 266 requires the Office, in consultation with local governments, to develop an enforcement framework that clarifies the enforcement roles of the state and local governments and authorizes local agencies to enforce any state statutory or regulatory standard. It specifically authorizes a city to enforce these provisions for licensed facilities located within an incorporated area of a city and requires the city to assume complete responsibility for any regulatory function relating to those licenses within city limits that would otherwise be performed by the county.

This Resolution will increase support for the adoption of AB 266 by the Legislature to establish a comprehensive regulatory framework for medical marijuana use in California that protects both the rights of medical marijuana patients and their caregivers as well as the prerogatives of local governments.

FISCAL IMPACT

There is no fiscal impact to the City of Compton for adopting the attached Resolution.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution supporting the adoption of California Senate Bill (AB) 266 to establish a regulatory framework for medical marijuana use in California and to protect the local control authority of cities and counties.

JOHHNY FORD
CITY MANAGER

Attachment: Proposed Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON SUPPORTING THE ADOPTION OF CALIFORNIA ASSEMBLY BILL (AB) 266 TO ESTABLISH A REGULATORY FRAMEWORK FOR MEDICAL MARIJUANA USE IN CALIFORNIA AND TO PROTECT THE LOCAL CONTROL AUTHORITY OF CITIES AND COUNTIES

WHEREAS, in 1996, California voters passed Proposition 215, also known as the Compassionate Use Act (CUA), which legalized the medical use of marijuana in California; and

WHEREAS, the CUA decriminalizes the use of marijuana for medical purposes, provides for patient access to medical marijuana, and prevents doctors from being penalized for making medical marijuana recommendations; and

WHEREAS, because the CUA did not provide an effective way for law enforcement to properly identify patients who were legally protected, the California legislature in 2003 passed Senate Bill (SB) 420, also known as the Medical Marijuana Program Act (MMPA), which clarified to some extent the scope and application of CUA; and

WHEREAS, SB 420 established a medical marijuana card program that provided patients and caregivers with a form of identification that would protect them against wrongful arrest and prosecution and created a legal framework for non-profit collectives and cooperatives to cultivate and distribute marijuana for medical purposes; and

WHEREAS, since the passage of both Compassionate Use Act (Proposition 215) in 1996 and the Medical Marijuana Program Act (SB 420) in 2003, no broader and feasible regulatory structure for medical marijuana use in California has been established; and

WHEREAS, the CUA has been marked by conflicting authorities, regulatory chaos, intermittent federal enforcement action, and series of lawsuits which have tested the limits of the CUA and focused on the extent of the authority of local government; and

WHEREAS, California Assembly Bill (AB) 266 establishes a licensing and regulatory framework for medical marijuana under the Medical Cannabis Regulation and Control Act (ACT) and would establish the Office of Marijuana Regulation within the Office of the Governor; the Division of Medical Cannabis Regulation within the State Board of Equalization; the Division of Medical Cannabis Manufacturing and Testing within the California Department of Public Health; and the Division of Medical Cannabis Cultivation within the California Department of Food and Agriculture; and

WHEREAS, AB 266 gives the Governor's Office of Marijuana Regulation (Office) and licensing authorities the authority necessary to implement this ACT but protects the local control authority of cities and counties; and

WHEREAS, in accordance with AB 266, local governments are not prohibited from adopting or enforcing an ordinance or other law that bans or regulates the location, operation, or establishment of a licensee or other person that engages in commercial cannabis activity; and

WHEREAS, AB 266 requires the Governor's Office, in consultation with local governments, to develop an enforcement framework that clarifies the enforcement roles of the state and local governments and authorizes local agencies to enforce any state statutory or regulatory standard; and

WHEREAS, AB 266 specifically authorizes a city to enforce these provisions for licensed facilities located within an incorporated area of a city and requires the city to assume complete responsibility for any regulatory function relating to those licenses within city limits that would otherwise be performed by the county; and

WHEREAS, this Resolution will increase support for the adoption of AB 266 by the Legislature to establish a comprehensive regulatory framework for medical marijuana use in California that protects both the rights of medical marijuana patients and their caregivers as well as the prerogatives of local governments.

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

Section 1. That the City of Compton supports the adoption of California Assembly Bill (AB) 266 which establishes a regulatory framework for medical marijuana use in California and protects the local control authority of cities and counties.

Section 2. That the City Council encourages its businesses and citizens to communicate its support of AB 266 to the Governor and our State's legislature.

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

Section 4. That a certified copy of this Resolution shall be filed in the offices of the City Clerk, City Manager and City Attorney.

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 of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on 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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Attorney**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON SUPPORTING THE ADOPTION OF CALIFORNIA ASSEMBLY BILL (AB) 266 TO ESTABLISH A REGULATORY FRAMEWORK FOR MEDICAL MARIJUANA USE IN CALIFORNIA AND TO PROTECT THE LOCAL CONTROL AUTHORITY OF CITIES AND COUNTIES**

Ruth Rugley — **7/13/2015 4:23:14 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/16/2015 3:55:56 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/16/2015 3:02:19 PM**
CITY CONTROLLER — DATE

Kelly Montgomery — **7/16/2015 11:49:20 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.

July 28, 2015

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING A MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE CITY OF COMPTON AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME), LOCAL 2325, COMPTON MANAGEMENT EMPLOYEES ASSOCIATION (CMEA) FOR FISCAL YEARS 2014 – 2016**

SUMMARY

The City Council will consider this resolution adopting a two-year employment contract (Memorandum of Agreement) between the City of Compton and AFSCME LOCAL 2325, Compton Management Employees Association (CMEA).

BACKGROUND

The City of Compton has four union locals that represent the majority of its Miscellaneous (Non Safety) employees. The proposed MOA is for American Federation of State, County and Municipal Employees (AFSCME) Local 2325 representing management and supervisory employees in the City of Compton.

The previous union contract between the City and AFSCME Local 2325 expired in June of 2009. In January 2012, the City and AFSCME Local 2325 agreed to a side letter agreement modifying the terms of the MOA for a period of two years.

STATEMENT OF THE ISSUE

Over the past year, the City has been negotiation with AFSCME Local 2325 regarding salary and benefits and has come to an agreement. AFSCME Local 2325 has met with its members and voted to approve the terms of contract agreed to during negotiations. The proposed MOA must now be approved by the City Council, at which point it can be executed and implemented.

The MOA is for two-year term and provided for the following salary adjustments:

- 3% COLA, effective July 1, 2014
- 3% COLA, effective July 1, 2015
- There are additional salary adjustments for some classification as a result of a comprehensive salary survey, which shall adjust salary by 2% for all members who were 15% or more below market.

Health, dental, vision, and vacations benefits have been updated to current levels. On July 1, 2014, the City reinstituted the employee benefits suspended during the two-year side letter agreement. There were minor changes to certain license and certification for some members. There were no changes to the educational incentives. In addition, the City Council has approved, through resolution, the holiday schedule.

FINANCIAL IMPACT

The cost of the MOA with AFSCME Local 2325 for Fiscal Year 2014/15 is approximately $213,365.04, and for the two years it is $385,895.91. This cost will be covered with funds from the Employee Medical and Labor Compensation Fund, General Fund and other Non-General Fund sources.

RECOMMENDATION

Staff recommends that the Council approve the attached resolution adoption the MOA for AFSCME Local 2325, CMEA.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING A MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE CITY OF COMPTON AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME), LOCAL 2325, COMPTON MANAGEMENT EMPLOYEES ASSOCIATION (CMEA) FOR FISCAL YEARS 2014 – 2016

WHEREAS, the City of Compton has fulfilled its meet and confer obligations as required by the Meyers-Milias-Brown Act; and

WHEREAS, the negotiations have resulted in an agreement with the City of Compton and the AFSCME Local 2325, CMEA; and

WHEREAS, it is in the best interest of the City to adopt this agreement as proposed; and

WHEREAS, funds have been allocated in City Departments' Fiscal Year 2015- 2016 annual budgets for this agreement and will be appropriated in each of the subsequent Fiscal Years' budgets.

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

SECTION 1. That the City Council of the City of Compton does hereby approve the Memorandum of Agreement (MOA) executed by the representatives of AFSCME Local 2325, a copy of which is attached hereto and incorporated herein by reference.

SECTION 2. That the City Manager is hereby directed to execute and implement the MOA in accordance with the provisions of this resolution.

SECTION 3. That this Resolution and the MOA referenced herein supersede any provisions of previously adopted City policies that conflict with the provisions of this MOA.

SECTION 4. That the monthly salary range for each of the classifications covered by the AFSCME Local 2325 MOA is hereby fixed and established in accordance with Article 40 of this MOA.

SECTION 5. That the monthly retirement contribution for each of the classifications covered by the AFSCME Local 2325 MOA is hereby established in accordance with Article 29 of this MOA.

SECTION 6. That a certified copy of this Resolution shall be forwarded to the City Attorney, City Clerk, City Manager's Office, the City Controller's Office, the Compton Management Employees Association/AFSCME Local 2325 and the Human Resources Department.

SECTION 7. 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

#15.

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-
ABSENT: COUNCIL MEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

MEMORANDUM

OF

AGREEMENT

CITY OF COMPTON

AND

COMPTON MANAGEMENT EMPLOYEES ASSOCIATION
AFSCME LOCAL 2325, AFL-CIO, COUNCIL 36

JULY 1, 2014

to

JUNE 30, 2016

PREAMBLE

This Agreement is entered into by and between the City of Compton, California, hereinafter referred to as the CITY, and the Compton Management Employees Association, CMEA/ASFSCME, Local 2325, AFL-CIO, Council 36, hereinafter referred to as CMEA, pursuant to the terms of Council Resolution _____ of the City of Compton. This Agreement has been executed by the City Manager on behalf of the CITY and the MANAGERS/SUPERVISORS of the City of Compton. It is, however, the mutual understanding of all parties hereto that it is of no force or effect whatsoever unless and until ratified by the CMEA and approved by resolution by the City Council of the City of Compton.

ARTICLE 1. RECOGNITION

Compton Management Employees Association, CMEA/AFSCME, Local 2325, AFL-CIO, Council 36, is hereby acknowledged by the City of Compton as the recognized employee organization representing the employment classifications within the Unit as may be established by the CITY. The Unit, as presently established, consists of the classifications shown in Article 40.

ARTICLE 2. UNIT OF REPRESENTATION

It is recommended that the CMEA provide employee representation in matters related to working conditions and compensation for the following groups.

A. **CHIEF EXECUTIVE EMPLOYEES**

B. **EXECUTIVE EMPLOYEES**

C. **SUPERVISORY EMPLOYEES**

ARTICLE 3. NON-DISCRIMINATION

A. Neither the CITY nor CMEA shall discriminate against any employee represented by the CMEA on the basis of race, creed, color, sex, sexual preference, national origin, ancestry, religion, disability, political belief, political activity or membership in any employee organization or labor organization, as defined by applicable sections of California Government Code (MMBA).

B. Whenever the masculine gender is used in the Agreement, it shall be understood to include the feminine gender.

ARTICLE 4. SCOPE OF REPRESENTATION

The scope of representation shall include all matters relating to employment conditions and employer/employee relations, including, but not limited to, wages, hours and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity or organization of any service or activity provided by law or executive order.

ARTICLE 5. DUES DEDUCTION

Upon receipt of a CMEA/AFSCME authorization card, on the union form, membership dues of CMEA/AFSCME members shall be deducted by the CITY from the paycheck of the member. Dues so deducted shall be remitted to CMEA/Local 2325 in a timely manner. Maintenance of membership shall be in effect within the window period for withdrawing.

The CMEA agrees to indemnify and hold the CITY harmless against any and all claims, suits, orders, or judgments brought or issued against the CITY as a result of the dues deductions or transmittal of such funds to the CMEA.

ARTICLE 6. PREVAILING RIGHTS

To the extent that they are not expressly or by necessary interpretation and application covered by the purposes, intents and language of this Agreement, all rights, privileges, obligations, and working conditions of employment within the scope of representation

presently enjoyed by the employees within the bargaining unit shall remain in effect and be operative during the terms of this Agreement, unless eliminated, enlarged or otherwise modified after the Meet and Confer Process to the extent that such procedures are required by the laws of the State of California.

ARTICLE 7. RIGHTS OF CITY

The City Manager has the exclusive right and authority to schedule work as required in the manner most advantageous to the CITY.

The City Manager reserves the right to discipline or discharge employees for cause, subject to Civil Service procedures. The CITY reserves the right to lay off personnel of the CMEA in accordance with the City Charter and established Civil Service procedures.

The City Manager shall have the right to transfer employees within the CITY in a manner most advantageous to the CITY, subject to the provisions of this Agreement. The City Manager reserves the right to formulate, change or modify departmental rules, regulations and procedures, except that no departmental rule, regulation, or procedure shall be formulated, changed or modified in a manner contrary to the provisions of this Agreement.

Those inherent managerial functions, prerogatives and policy making rights, whether listed above or not, which the CITY has not expressly modified or restricted by a specific provision of this Agreement, are not in any way (directly or indirectly) subject to the

grievance and arbitration procedures contained herein. Except as otherwise specifically provided in this Agreement, the CITY shall retain all rights and authority which by law it is entitled. The CMEA recognizes that the CITY has statutory and charter rights and obligations in contracting for matters relating to municipal operations. The right of contracting is vested exclusively in the CITY.

Any and all rights concerning the management, organization, and direction of the CITY, shall be exclusively the right of the CITY and the City Manager, unless otherwise provided by the express term of this Agreement as permitted by law.

The inherent and express rights of the CITY, including those herein specifically referred to, which are not expressly modified or restricted by a specific provision of this Agreement, are not in any way (directly or indirectly) subject to the grievance procedure herein.

Where required by law, the CITY agrees prior to implementation, to meet and confer with the CMEA over the impact of the exercise of these rights, upon wages, hours, and other terms and conditions of employment.

ARTICLE 8. SEVERABILITY

Should any part of this Memorandum of Agreement be rendered or declared illegal or invalid by legislation or decree of a court of competent jurisdiction, or of an administrative tribunal or board, such invalidation during the life of this Agreement shall

not affect the remaining portions thereof. Notwithstanding any other provision of this MOA, the CITY and the CMEA agree to meet and confer upon the request of either party to address the identifiable impacts, if any, that such illegality or invalidity has upon the terms and conditions of employment.

ARTICLE 9. REASONABLE NOTICE

All communications or notices required to be served upon the CMEA by the CITY, State or Federal law shall be delivered to the primary Officer of the CMEA at his/her current address on file in the City Manager's Office by U.S. Mail or hand delivered, whichever is most convenient. All written communications to the CITY shall be addressed and delivered to the City Manager. All meeting notices will be delivered within 72 hours prior to any regular scheduled meeting and 24 hours prior to any special meeting.

ARTICLE 10. STEWARDS

It is agreed that CMEA may select a reasonable amount of stewards to represent this Union, but not to exceed one steward for every ten (10) members. The union agrees to give the CITY a written list of employees who have been selected as stewards and such a list shall be kept current by the CMEA. Stewards may spend a reasonable amount of time to promptly and expeditiously investigate and process grievances without loss of pay or benefits of any kind. Stewards shall be free from reprisal and shall not in any way be coerced, intimidated or discriminated against as a result of their activities and role as stewards. When leaving their work station/location to transact such investigations or processing, Stewards shall first obtain permission from their immediate supervisor and

inform him/her of the nature of the business. Permission to leave will be granted unless such absence would cause interference in departmental operations. If such permission cannot be granted at the time of request, the steward will be informed immediately as to the earliest available time. Upon entering a work location, the union representative shall get permission from the responsible supervisor prior to speaking with the unit member.

Permission to leave the job will be granted to the employee involved, unless such absence would cause an undue interruption or interference in operations. If the employee cannot be made available, the steward will be informed as to the time he/she will be made available. The CMEA agrees that a steward shall not log compensatory time spent performing Union Business. The role of a steward is to provide timely grievance representation at the first step of the grievance process in an effort to resolve the grievance at the lowest possible step and increase communications between the CITY and the Union.

ARTICLE 11. UNION BUSINESS

Employees elected to union office shall be granted time off to perform Union functions, inclusive of conferences, conventions, seminars, and training without loss of pay, not to exceed two hundred (200) hours per fiscal year for all such employees and functions. The balance of unused release time available at the end of the fiscal year shall rollover no more than one additional year.

Up to four members of the negotiating team shall be granted time off for negotiations

which shall be mutually set by the employer and the Union, and such employer/employee meetings shall not be charged against Union business time.

ARTICLE 12. ACCESS TO WORK STATION

The CITY agrees to grant official representatives of the Union the access and right to discuss grievances or problems arising under the terms of this Agreement with employees of this unit during working hours. It is agreed that there will be as little interference as possible by the Union's business representatives, and stewards shall be permitted to conduct a reasonable amount of time toward Union business relative to grievances during working hours without loss of pay, if such time will not interfere with departmental operations and with approval from the employing department manager. The CITY agrees to permit the Union to use CITY facilities to conduct business meetings when such facilities are available and requested in a timely manner.

ARTICLE 13. BULLETIN BOARDS

The CITY agrees to furnish and maintain space for suitable bulletin boards in convenient places to be used by the Union. The Union shall limit its posting of notices and bulletins to such areas.

ARTICLE 14. SICK LEAVE/SEVERANCE POLICY

Sick leave shall be earned and accumulated on an annual basis of twelve (12) days per year from January 1 through December 31. Accrual and use of sick leave shall be in

accordance with Rule 7.51 of the Personnel Rules and Regulations, except that probationary employees may be allowed to use accrued holiday and/or compensatory time while on probation and are unable to work due to illness or non-industrial injury. Said sick leave accumulation shall be credited to the employee's records on a monthly basis.

Accumulation of unused sick leave shall be unlimited. Employees shall not accrue sick leave while on suspension, or other unpaid leaves of absence.

Employees shall be entitled to a payoff of accumulated sick leave in accordance with the following schedule upon termination in good standing after five years of service:

Length of Service	**Severance Pay/Proportion of Sick Leave**	
	Up to 800 Hrs.	**Over 800 Hrs.**
0 through 4 years	10%	0%
5 through 9 years	25%	0%
10 through 14 years	50%	25%
15 through 19 years	75%	50%
20 through 24 years	100%	75%
25 years or more	100%	100%

The pay off shall be made in a lump sum unless other arrangements are agreed to by the employee and CITY.

ARTICLE 15. HEALTH AND WELFARE BENEFITS

A. Medical Insurance Coverage

For the term of this Agreement, the CITY shall continue to pay $1,408.65 per

month for each Unit member. Upon the Los Angeles Region Kaiser family rate exceeding $1,408.65 per month, the CITY shall then contribute the amount allocated to the Los Angeles Region Kaiser family rate for all Unit members. All Unit members hired on or after the date of ratification of this MOA shall receive the Los Angeles Region Kaiser family rate contribution. The CITY shall continue to contribute the cost of medical insurance coverage to any Unit member who at the time of ratification of this MOA who currently resides outside of Los Angeles County in the amount designated by PERS as "Other Southern California Region" HMO Health Plan for Employee + 2 or more dependents. It is understood, and agreed, that this CITY contribution shall not be increased for Unit members who relocate outside of Los Angeles County after the ratification of this MOA, nor shall this contribution apply to Unit members hired after the date of ratification of this MOA.

The CITY'S actual contribution toward the monthly premium for each employee in classification covered by the bargaining unit shall be based upon the unit member's enrollment in a plan provided through the CITY'S contract with the California Public Employees Retirement System, hereafter referred to as CALPERS and status as:

1. Employee only
2. Employee and 1 dependent
3. Employee and 2 or more dependents

At the CITY'S request, employees in classification covered by the bargaining unit

shall submit verifiable proof of dependency for anyone they seek to cover.

B. Dental Insurance

1. The CITY shall continue to provide full payment for a City-wide pre-paid dental plan.

2. Dental coverage is available for employees in classifications covered by this bargaining unit and eligible dependents.

C. Vision Plan

The CITY shall provide a City-wide vision plan. Vision coverage is available for employees and eligible dependents.

D. Life Insurance

The CITY shall provide life insurance for the Chief Executive Employees in the amount of $85,000.00, and the CITY shall in turn provide life insurance for the Executive employees in the amount of $80,000. For Supervisory classifications, the CITY shall provide life insurance to Unit members in the amount of $55,000.00.

E. State Disability Insurance

The CITY shall provide State Disability Insurance (SDI) at no cost to Unit members.

F. Administration of Fringe Benefits

The CITY reserves the right to select, change, administer or fund any fringe benefits program involving insurance that now exists or may exist in the future during the term of this Agreement. In the administration of fringe benefits

programs involving insurance, the CITY shall have the right to select any insurance carrier or other method providing coverage to fund insurance benefits herein during the term of this Agreement. The CITY shall meet and confer with the CMEA prior to any change of insurance carrier or method of funding coverage for fringe benefits which adversely impact employees during the term of this Agreement. Changes in insurance carrier or methods of funding coverage which result in reduction in the level of benefits shall not be effected until completion of the Meet and Confer Process, as required by law. When the new insurance coverage is substantially comparable to the old insurance coverage, the CITY shall have the right to change insurance carriers upon notice to the CMEA and employees.

ARTICLE 16. HEALTH INSURANCE CONTINUATION WHILE ON LEAVE DUE TO UNDISPUTED / DISPUTED WORK-RELATED INJURY / ILLNESS

It is mutually agreed that the CITY shall continue to pay the CITY'S contribution toward the premium for health insurance coverage, in the case of employees who are disabled and unable to work due to undisputed work-related injury/illness.

Employees who have filed a claim(s) for compensation as a result of an injury/illness which is in dispute, shall pay the entire amount of the premium for health insurance while in no pay status, beginning with the first premium due after onset of the injury/illness. If it is later determined that the injury/illness is work-related, the CITY shall refund all

premiums paid by the employee.

ARTICLE 17. OVERTIME (Non-Exempt Supervisory, Technical, & Professional Classifications Only)

Whenever an employee is required by the CITY to work on a recognized holiday, the CITY agrees to compensate holiday pay at two-and-one-half times the employee's regular hourly rate for all hours worked on the specified holiday, provided that the employee is not absent or on sick leave within 48 hours after such time worked. If an employee uses sick leave within 48 hours, a doctor's verification shall be necessary to qualify for the holiday premium. If the employee does not provide verification of sickness, he will be paid at double the employee's regular hourly rate for all hours worked on the specified holiday. Members of this unit will receive cash payment at the rate of one-and-one-half times the employee's regular rate for all hours in paid status over forty (40) hours per week or at the employee's discretion by compensatory time off (up to a maximum of 100 hours). Employees who have accumulated compensatory time in excess of 100 hours as of the ratification of this agreement will not be allowed to accumulate any compensatory time until their accumulated compensatory time has been reduced below 100 hours. A week shall be defined as beginning at 12:01 a.m. Sunday and ending at 12:00 midnight on the following Saturday. Given reasonable notice, employees of this unit shall perform overtime work as requested by the department manager. Request for the use of compensatory time accrued under previous agreements must be submitted in writing in advance of

intended use and will be granted upon mutual agreement between the employee and the supervisor.

ARTICLE 18. BEREAVEMENT LEAVE

In the event of a death in the immediate family ("immediate family" shall mean spouse, father, current father-in-law, mother, current mother-in-law, grandfather, grandmother, son, daughter, brother, or sister of employee, stepmother, stepfather, stepson, and stepdaughter, registered domestic partner, spouse's brother, spouse's sister, spouse's parents, spouse's grandparents, spouse's son-in-law and spouse's daughter-in-law), an employee shall be entitled to the necessary time to attend the funeral, up to a maximum of three (3) working days for in-State services or five (5) working days for out of State services; or two (2) shifts for 56 hour personnel. Such leave shall be fully paid but shall not be deducted from accumulated sick leave. The CITY reserves the right to verify paid leave taken pursuant to this clause.

In the event of the death of a relative not considered in the immediate family, an employee shall be entitled to take the necessary time to attend the funeral. This leave shall be charged against accrued sick time. If there is no accrued sick time, the employee should then request vacation time in accordance with the vacation procedures. The CITY reserves the right to verify leave taken pursuant to this Section.

ARTICLE 19. STRIKE PROHIBITION

A. The CMEA and its members, as individuals or as a group, will not initiate, cause,

permit, participate or join in any strike, work stoppage, or slowdown, picketing, or any other restriction of work at any location in the CITY.

B. Employees in the bargaining unit, while acting in the course of their employment, shall not honor any picket line established in the CITY by the CMEA or by any other labor organization when called upon to cross picket lines in the line of duty.

C. Disciplinary action, including discharge, may be taken by the CITY against any employee(s) engaging in violation of this Article. Such disciplinary action may be undertaken selectively at the option of the CITY and shall not preclude or restrict recourse to any other remedies, including an action for damages, which may be available to the CITY.

ARTICLE 20. WORK SCHEDULES

Work schedules are the sole determination of the City Manager and may include any and all shifts available for consideration as determined by the City Manager.

ARTICLE 21. AUTO ALLOWANCE / CITY CAR (Chief Executives and Executive Classifications Only)

A. Upon ratification of this agreement, designated unit members shall continue to receive the auto allowance, in the amount of $350.00 per month.

B. Upon ratification of this agreement, designated unit members currently assigned a CITY owned automobile shall continue to be provided an automobile in

accordance with the current policies and procedures of the CITY.

C. It is the sole discretion of the City Manager as to the eligibility of any unit member currently receiving an automobile allowance or use of a CITY owned car.

ARTICLE 22. VACATION (Chief Executives and Executive Classifications Only)

A. Hours of vacation leave entitlement shall be accrued on the basis of each calendar month of service as follows:

B. SERVICE TIME

HOURS ACCRUED PER MONTH

Less than 5 years of service	7.334
5 Years but less than 10	10.667
10 Years but less than 15	14.000
15 Years and over	17.334

C. Accumulated vacation leave shall not exceed 24 times the current rate of each employee, as set out above.

D. Accumulated vacation time shall not be used so as to cause an employee to be absent more than a maximum of four (4) consecutive weeks, unless prior written approval is granted by the City Manager.

E. During the term of this agreement, upon approval of the City Manager, unit

members may convert to cash, up to 120 hours of unused vacation leave each year, provided the employee has excess of 500 hours, 80 hours in excess of 400 hours, and 40 hours in excess of 300 hours of accrued vacation at the time of the request.

F. Effective upon ratification of this agreement, sworn safety members (fire) covered by this contract, shall continue to accrue vacation as previously provided for.

Vacation Entitlement: (Supervisory, Technical, & Professional Classifications Only)

A. Employees of this Unit may use vacation leave after the satisfactory completion of six months of continuous service with the CITY. Effective January 1, 2001, permanent full time employees accrue vacation according to the limitations described in the Personnel Rules and Regulations and the following schedule:

B.

6 months to 5 years of service:	7.334 hours per month
5-10 years of service:	10.667 hours per month
10-15 years of service:	14.00 hours per month
15 or more years of service:	17.334 hours per month

C. No Unit member may earn or accrue more than 24 times the current rate of each employee, as set out above.

D. Accumulated vacation time shall not be used so as to cause an employee to be absent more than a maximum of four consecutive weeks, unless prior written approval is granted by the City Manager.

E. During the term of this agreement and upon the approval of the City Manager, Unit members may convert to cash, up to 120 hours of unused vacation leave each year, provided the employee has excess of 500 hours, 80 hours in excess of 400 hours, and 40 hours in excess of 300 hours of accrued vacation at the time of the request.

ARTICLE 23. HOLIDAYS

During the term of this agreement, employees covered under this contract shall receive paid holidays in accordance with the resolution establishing a holiday schedule each fiscal year.

Independence Day

Labor Day

Admissions Day

Veteran's Day

Thanksgiving Day

Thanksgiving Day (day following)

Christmas Day

New Year's Day

Dr. Martin Luther King Jr.'s Birthday

Lincoln's Birthday

Washington's Birthday

Cinco de Mayo

Memorial Day

December 25, 2015 and December 25, 2016 (floating holidays)

Employee's Birthday

When the employee's birthday or holiday falls on a weekend or during his/her scheduled vacation, employee will receive another day off, when requested, subject to approval of his/her supervisor.

ARTICLE 24. PURGING OF FILES

It is agreed that the CITY shall review personnel files when requested by employees covered under this Agreement, annually, before January 1st of each year in order to seal and/or destroy any reprimands or infractions (excluding serious disciplinary matters, i.e. suspensions, demotions and dismissals) which are citizens' complaints which are at least five years old and have not been repeated in a two year period, or which are internally generated complaints, which are at least two years old and have not been repeated within that time. It is agreed that any notice of deficiency or letter of reprimand not involving serious disciplinary matters, shall be destroyed after one year provided there are no similar occurrences which are repeated.

ARTICLE 25. UNIFORM ALLOWANCE

Effective upon ratification of this Agreement, safety members covered by this agreement shall continue to receive a uniform allowance at $1,500.00 per year paid quarterly.

ARTICLE 26. GRIEVANCE PROCEDURE

Chief Executives and Executive Classifications Only:

It is agreed that the CMEA may file a grievance in accordance with the grievance procedures as outlined in the CITY'S Personnel Rules and Regulations dated November 1979 and as subsequently amended, except as follows:

A. 10.1 D (2) Final Level Review (Non Severe Disciplinary Grievances and Contract Interpretation Grievances)

B. *Grievances regarding violation of the contract*

The award of the hearing officer or the Personnel Board is binding upon the City Manager.

C. *Grievances regarding severe discipline*

Appeals resulting from severe discipline may be submitted to binding arbitration, by either party, after being heard by the Personnel Board and the award of the arbitrator is binding upon the City Manager/City Council and the appellant.

Supervisory, Technical, & Professional Classifications Only:

This grievance procedure establishes a means by which an employee's grievance may be considered, discussed and resolved in a timely manner and at the closest possible level to the point of origin.

A. A "grievance" shall be defined as a dispute or a disagreement raised by an employee against the employer involving the interpretation or application of the specific provisions of this Agreement. It is specifically understood that any matters governed by Civil Service rules or statutory provisions shall not be

considered grievances and subject to the grievance procedure hereinafter set forth. Nor shall any disciplinary actions which may be appealed to the Civil Service Board be considered grievances and subject to the grievance procedure herein. Grievances as herein defined, shall be processed as outlined in Section 10.1 C-D of the Personnel Rules and Regulations.

B. *Severe Discipline Determination and Appeal Procedures*

The procedures for handling severe discipline and appeal shall be those outlined in Section 10.2 of the Personnel Rules and Regulations. However, Employer and CMEA agree that prior to the effectuation of the appeal procedures set forth in Section 10.2 B (2); members of CMEA shall first submit appeal to an arbitrator. The decision of the arbitrator shall be advisory to the City Manager. If the member is not satisfied with the advised determination made by the City Manager, the member may proceed with the appeal as set forth in Section 10.2 B.

Within 120 days of the ratification of this Agreement, both parties agree to meet and confer on Grievance Procedure.

ARTICLE 27. ARBITRATION

Grievances which are not settled pursuant to the established procedures above, and where all other informal, internal means of settlement have been exhausted unsuccessfully, and which either party desire to contest further, shall be submitted to arbitration as provided below.

A. The matter will go to arbitration if either party files with the other in writing, a

demand for such further proceedings within 15 calendar days after the decision provided for by Step 3 of the Grievance Procedure.

As soon as possible, and in any event not later than ten (10) days after either party received written notice from the other of the desire to arbitrate, the parties shall agree upon an arbitrator. If no agreement is reached within said ten (10) days, an arbitrator shall be selected from a list of seven (7) arbitrators submitted by the State Mediation and Conciliation Service by alternate striking of names until one name remains. The party who strikes the first name from the panel shall be determined by lot.

B. The arbitrator shall have no power to amend, change, add to or subtract from any of the terms of this Agreement. The decision of the arbitrator shall be based solely upon the evidence and arguments presented to him by the respective parties in the presence of each other.

C. The award of the arbitrator shall be binding for all grievances as defined by this Agreement. Grievances resulting from suspensions, dismissals, and demotion, may be submitted to advisory arbitration, and the decision and award is advisory to the City Manager and City Council.

D. The arbitrator may hear and determine only one grievance at a time without the expressed agreement of the CITY and the grievant's representative.

E. The parties shall share equally the expense of the cost arbitration, with the exception of their own Counsel's fees and witness service. Also, any copies of transcripts of the proceedings other than that provided to the arbitrator, shall be

paid solely by the requesting party.

Within 120 days of ratification of this agreement, both parties agree to meet and confer on the use of Arbitration to resolve grievances.

ARTICLE 28. BASE PAY

Upon ratification of this agreement, eligible unit members shall receive a salary adjustment as follows:

- Effective July 1, 2014, all Unit members shall receive a 3%COLA.
- Effective July 1, 2015, all Unit members shall receive a 3% COLA.
- Effective July 1, 2014, for CMEA employees identified in the former and most recent survey that were at or more than 15% under market to receive a 2% salary increase.

ARTICLE 29. RETIREMENT

The CITY shall provide Classic California Public Employees' Retirement System (CalPERS) members[1] who are covered by this MOA, the 2.7% at 55-retirement plan of CalPERS. The CITY shall provide employees who are new CalPERS members [2] who are

[1] Classic members are defined as current CalPERS members who were active prior to January 1, 2013 or individuals from reciprocal agencies who were active prior to January 1, 2013.
[2] New members are defined as new hires who are brought into CalPERS membership for the first time on or after January 1, 2013, and who have no prior membership in any other California public retirement system.

covered by this MOA, the 2% at 62-retirement plan of CalPERS. The CITY shall continue to pay the employee's portion of retirement contributions to CalPERS for Classic CalPERS members who are employed in a classification represented by the CMEA through the life of this agreement. The amount paid by the CITY to defray the cost of an employee's portion of retirement contributions shall not exceed 8% of the employee's monthly earnings from the CITY, except for Fire Protection Specialists II, which shall not exceed 9%. The CITY shall provide for all safety personnel/sworn members of the City Fire Department, who are covered by this MOA, and who are eligible for the CALPERS 3% at 50-retirement plan of CalPERS. This plan is codified at California Government Code section 21362.2. Employees defined as new CalPERS members shall pay their portion of contribution to the CalPERS retirement. The City shall continue to utilize one-year final compensation for PERS classic members.

ARTICLE 30. **PERSONAL DEVELOPMENT (Chief Executives and Executive Classifications Only)**

Chief Executive Employees shall receive an annual personal development benefit that may be used for activities that are determined by the City Manager to mutually benefit the employee and the CITY. Effective upon ratification of this agreement, seven (7) Executive employees per calendar year shall receive an annual personal development benefit on a rotating basis.

ARTICLE 31. PERSONAL LEAVE DAYS (Chief Executives and Executive Classifications Only)

A. Unit members shall accrue Personal Leave days as follows:

Chief Executive Employees	8 days per year
Executive Employees	8 days per year

B. Personal leave days shall be accrued at the beginning of each calendar year.

C. Personal leave days are not cumulative in nature and cannot be carried into the following year.

ARTICLE 32. EDUCATIONAL REIMBURSEMENT

The CITY shall continue to provide an educational reimbursement benefit of $2,000 per fiscal year.

A. Payment

1. Employees enrolling in courses eligible for tuition reimbursement may be required to apply, for funds for said purpose from alternate sources, if available. Such sources may include, but is not limit to, State and Federal governments, inclusive of scholarship monies and Veteran's benefits programs.

2. Reimbursement shall cease whenever an employee is promoted to a position with the CITY where the education level earned is an established prerequisite for the position.

3. Whenever an employee is required by the CITY to enroll in a course in order to obtain the requisite skills which have been determined to be necessary in order to effectively function in the job, he/she shall be fully

reimbursed by the CITY.

B. All Course Eligible for Payment under this Section Shall

1. Be reviewed and approved by the employing department and the Human Resources Department prior to enrollment in the course.

2. Be initiated and completed while in the employ of the City of Compton.

3. Be completed at the minimum letter grade of "C" or with a "pass" if enrolled on a pass/fail basis.

4. Reimbursement shall be made only for course work, which is completed at accredited high schools, junior colleges, colleges or universities, trade schools, or through other institutions approved by the Human Resources Department.

5. Approval of an application for reimbursement is contingent upon availability of funds and the employee's successful completion of the course as specified in these provisions.

C. Procedure

1. The employee should make every effort to obtain an "After Hours Education" application at least one month prior to enrolling classes. Employee requests are to be placed on an eligibility list for this program. The employee submits the application to the department manager.

2. The department notes whether the course is job related or promotion related, then approves or disapproves the application and forwards such to the Human Resources Department.

3. The Human Resources Department examines the application noting the department manager's recommendation, and secures a cost estimation of the course.

4. If the application is disapproved, notice is sent to employee, stating the reasons for disapproval. If approved, the Human Resources Department briefs the employee on the reimbursement procedure. The employee submits receipts for tuition, books, and application fees to the Human Resources Department within three weeks after beginning classes.

5. The Human Resources Department records and returns the receipts to the employee.

6. Upon successful completion of the course, the employee submits to the Human Resources Department a transcript of the course grade (or completion certificates).

7. The Human Resources Department records and returns the grade (or certificate of completion) to the employee and submits a request for warrant to cover the expenses allowed by the policy statements.

8. The Human Resources Department sends a congratulatory letter to the employees for successful completion of the course.

9. A record of the courses completed and grades attained are prepared; one copy is placed in the employee's personnel file, and a copy is forwarded to the department manager.

ARTICLE 33. BILINGUAL ASSIGNMENT - (Supervisory, Technical, & Professional Classifications Only)

A. The CITY agrees to pay $34.62 bi-weekly ($75.00/monthly) to Unit members when assigned to provide bilingual services. Employees shall be required to pass a qualifying examination administered by the CITY

to determine proficiency for bilingual assignment.

B. Employees committed to the bilingual assignments shall be obligated to provide such service to the CITY as needed.

C. Effective January 1, 1999, a differential of $65.00 bi-weekly will be paid to the unit members who obtain a certificate showing oral and written competence in Spanish from an institution in the state of California approved by the Human Resources Department, when assigned to provide bilingual services. Unit members currently receiving bilingual pay under the provisions of "A" above will be eligible to receive payment of $65.00 bi-weekly if they can demonstrate written competence in Spanish as determined by the Human Resources Director.

ARTICLE 34. LICENSES AND CERTIFICATIONS (Certain Supervisory, Technical, & Professional Classifications Only)

A. Unit members assigned to work requiring specified duties which require skills and abilities not contemplated in the Unit member's normal job specifications in the areas described in this Article shall receive premium pay only while so assigned. A Unit member must possess the required certifications as set forth by the Department Head to be assigned and to receive such compensation. Such premium pay shall be for the hours actually worked in that assignment. Assignment and reassignment shall be made by the Department Head, subject to the approval of the City Manager. A Fire Protection Specialist , Arson Investigator 5% per month. Such premium pay shall for hours actually worked in

the assignment. Assignment and reassignment shall be made by the Fire Chief, subject to the approval of the City Manager.

B. A Fire Protection Specialist who obtains a Hazardous Material Technician certification as issued by Cal-OES/Cal-EMA shall receive a bonus of 5% per month. In order to retain this bonus, the Fire Protection Specialist must maintain the certification and continue to serve and participate in the City's Hazardous Material Unified Program.

C. Fire Protections Specialist who obtains Industrial Waste Inspector certification as issued by CalEPA shall receive a bonus of $200.00 per month. In order to retain this bonus, the Fire Protection specialist must maintain the certification and continue to serve and participate in the City's Industrial Waste Fat Oil and Grease Program

D. Fire Protection Specialist who obtains an EMT-B certification and uses such certification while performing the duties of a Fire Protection Specialists shall receive a monthly bonus of $300.00 per month. In order to retain this certification, the Fire Protection Specialist must maintain this certification.

ARTICLE 35. MOVE-UP ASSIGNMENT (Supervisory, Technical, & Professional Classifications Only)

When assigned by the department head, an acting or move-up assignment must be initiated by a Personnel Action form and must be for a minimum of eighty (80) hours. Whenever an employee of the Unit is given an acting assignment to that position the

employee shall receive compensation fixed by the employee's department manager. The compensation shall be fixed within the higher salary range of the position moved-up to and shall be an increase of no less than four (4) percent of the employee's regular base salary.

Whenever the Fire Protection Specialist II is required to work the duties normally assigned to the Fire Marshall classification – move-up pay shall be granted equivalent to the Fire Captain – Step A.

ARTICLE 36. EMPLOYMENT VACANCIES

Vacancies in the Classified Service shall be filled by the method prescribed in rules 6.2a and 6.6a of the City of Compton's Personnel Rules and Regulations.

ARTICLE 37. CONTRACTING AND SUBCONTRACTING (Supervisory, Technical, & Professional Classifications Only)

CMEA recognizes that the CITY has statutory and charter rights and obligations in contracting for matters relating to municipal operations. The right of contracting and subcontracting is vested in the CITY. The right to contract or subcontract shall not be used for the purpose or intention of undermining CMEA nor to discriminate against any of its members. The CITY further agrees that it will not lay off any employees who have completed their probationary periods and have regular civil service status at the time of the execution of this Agreement because of the exercise of its contracting or subcontracting rights, except in the event of an emergency, strike or work stoppage, or essential public need where it is uneconomical for City employees to perform said work.

ARTICLE 38. STANDBY/CALL BACK (Fire Protection Specialist Classification Only)

Unit members in the Fire Protection Specialist classification shall be granted a minimum of two hours compensatory time each time they are called back to work during periods other than normal working hours.

The intent here is for a unit member to earn minimum of two hours for each time called back; however, if the employee is called back and works two or more hours, they will be paid for the actual hours worked. This provision only applies when the employee is called back and required to work less than two full hours.

ARTICLE 39. ZIPPER CLAUSE

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter removed by law from the area of collective bargaining, and that the understandings and agreement arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the CITY and the CMEA, for the life of this Agreement, each agrees that the other shall not be obligated to bargain collectively with respect to any subject matter referred to or covered in this Agreement pertaining to rates, wages, hours, and terms and conditions of employment or any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

ARTICLE 40. **EMPLOYEE TITLES**

CHIEF EXECUTIVE EMPLOYEES

CLASSIFICATION TITLE	SALARY RANGE EFFECTIVE DATE		
	Current	07/01/14	07/01/15
Budget Officer	163	166	169
Chief Building Official	208	211	214
Chief of Staff	188	191	194
City Controller	211	214	217
Community Services Director	188	191	194
Deputy Director of Public Works and Municipal Utilities	178	181	184
Director of Community Development	209	212	215
Director of Economic and Grants Management Services	188	191	194
Director of Employment and Training Services	166	171	174
Director of General Services	178	183	186
Director of Information Systems	170	173	176
Director of Municipal Law Enforcement Services	166	169	172
Director of Parks and Recreation	190	195	198
Director of Planning and Economic Development	191	196	199
Director of Public Works and Municipal Utilities	208	211	214
Director of Redevelopment	176	179	182
Fire Chief	211	216	219
Housing Director	176	179	182
Human Resources Director	200	203	206
Municipal Services Director	188	191	194
Planning Director	172	175	178
Police Chief	230	233	236
Special Services Supervisor	134	137	140
Street Superintendent	164	171	174
Superintendent of Recreation	138	141	144

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EXECUTIVE EMPLOYEES

CLASSIFICATION TITLE	SALARY RANGE EFFECTIVE DATE		
	Current	07/01/14	07/01/15
Assistant City Engineer	164	169	172
Assistant Director of Employment and Training Services	141	144	147
Assistant Police Chief	191	194	197
Assistant Water Department General Manager	154	157	160
Cable and Public Affairs Manager	166	169	172
Chief Deputy City Attorney	189	194	197
Chief Deputy City Clerk	135	140	143
Chief Deputy City Treasurer	135	140	143
Chief Executive Assistant	198	201	204
Code Enforcement Manager	165	168	171
Community Development and Planning Coordinator	154	157	160
Data Processing Division Supervisor	167	170	173
Deputy City Attorney I	144	147	150
Deputy City Attorney II	159	162	165
Deputy City Attorney III	174	177	181
Deputy City Controller	162	167	170
Deputy Director of General Services	141	144	147
Deputy Director of Parks and Recreation	157	162	165
Deputy Director of Redevelopment	166	169	172
Deputy Director of Public Works & Municipal Utilities	178	181	184
Deputy Fire Chief	183	188	191
Deputy Housing Director	144	147	150
Deputy Planning Director	157	160	163
Fire Battalion Chief	172	177	180
Grants Manager	155	158	161
Housing Manager	154	157	160
Housing Services Supervisor	134	137	140
Human Resources Analyst	144	147	150
Internal Auditor	147	150	153
Legal Analyst/Police Inspector	173	176	179
Planning Manager	154	159	162
Police Records Supervisor	159	162	165
Redevelopment Manager	154	159	162

Risk Manager	182	185	188
Special Assistant	159	162	165
Special Assistant to the City Manager	142	145	148
Special Services Manager	166	169	172
Superintendent of Parks	138	141	144

SUPERVISORY EMPLOYEES

CLASSIFICATION TITLE	SALARY RANGE EFFECTIVE DATE		
	Current	07/01/14	07/01/15
Accounting Supervisor	139	142	145
Administrative Assistant	100	105	108
Assistant Recycling Coordinator	115	118	121
Associate Civil Engineer	131	134	137
Associate Traffic Engineer	122	125	128
Building Maintenance Supervisor	135	138	141
Business Licensing Supervisor	128	131	134
Cable Production Supervisor	125	128	131
Claims Examiner	124	129	133
Code Enforcement Officer II	128	131	134
Community Development Block Grant Coordinator	141	144	147
Community Development Specialist	129	132	135
Computer Technician	127	130	133
Construction and Maintenance Supervisor	146	149	152
Contract Administrator	146	149	152
Contract Compliance Officer	121	124	127
Cross-Connection Control Investigator	125	128	131
Custodian Foreman	117	120	123
Customer Services Supervisor	121	124	127
Data Processing Equipment Supervisor	112	115	118
Deputy City Clerk	121	124	127
Deputy City Treasurer	135	140	143
Development Services Coordinator	133	136	139
Economic Development Specialist	126	129	132
Emergency Management Coordinator	139	142	146
Equipment Maintenance Supervisor	134	137	140

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Executive Assistant	121	124	127
Fire Protection Specialist I	114	119	122
Fire Protection Specialist II	129	134	137
Fiscal Coordinator	126	129	132
Grants Coordinator	126	129	132
Help Desk Technician	100	103	106
Housing Services Supervisor	130	133	136
Housing Rehabilitation Supervisor	135	138	141
Information Systems Engineer/Administrator	164	167	170
Legal Assistant	108	111	114
Legislative Analyst	127	130	133
Liability Claims Coordinator	140	143	146
Maintenance Superintendent	135	138	141
Mechanic Foreman	117	120	123
Neighborhood Center Manager	114	117	120
Paralegal	134	137	140
Parks Maintenance Supervisor	132	135	138
Payroll Services Supervisor	127	130	133
Printing Services Supervisor	135	138	141
Programmer Analyst	126	129	132
Project Manager	146	151	154
Purchasing Officer	136	141	144
Recreation Supervisor	114	119	122
Recycling Coordinator	127	130	133
Senior Administrative Analyst	139	142	145
Senior Building Inspector	154	157	160
Senior Civil Engineer	151	156	159
Senior Community Development Specialist	144	147	150
Senior Economic Development Specialist	141	144	147
Senior Housing Specialist	127	130	133
Senior Personnel Technician	112	115	118
Senior Planner	154	157	160
Senior Program Development Specialist	146	149	152
Senior Rehabilitation Loan Officer	128	131	134
Special Events Coordinator	100	103	106
Street Foreman	116	119	122
Street Maintenance Supervisor	132	135	138
Systems Coordinator	144	149	152

Traffic and Lighting Foreman	130	133	136
Traffic Engineer	146	149	152
Water Construction and Maintenance Supervisor	139	142	145
Water Operation and Division Supervisor	146	149	152
Water Production and Distribution Supervisor	146	149	152
Workers' Compensation Claims Coordinator	163	168	171

Salary Survey

By December 2015, the City will conduct a salary survey on CMEA personnel for the purpose of negotiations and implementation of a unit member's salary. Meet and confer shall be completed by January 31, 2016; however an extension may be agreed upon if both parties mutually concur. 1ST priority to meet and confer regarding the implementation of the survey terms.

ARTICLE 41. TERM AND EFFECT OF AGREEMENT

This Agreement shall remain in full force and effect, commencing upon July 1, 2014, and thereafter shall continue in effect unless one of the parties notifies the other in writing, no later than June 30, 2016 of its request(s) to modify or terminate the Agreement.

This Agreement constitutes the total and entire agreement between the parties, except as otherwise provided for by side-letter, and no verbal statement shall supersede any of its provisions.

The Memorandum of Agreement is entered into this _____ day of _____, 2015, by:

FOR THE UNION:	FOR THE CITY:
JOHN PHILLIPS PRESIDENT, Local 2325	JOHNNY FORD CITY MANAGER
	CRAIG CORNWELL CITY ATTORNEY
	ALITA GODWIN CITY CLERK

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RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING A MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE CITY OF COMPTON AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME), LOCAL 2325, COMPTON MANAGEMENT EMPLOYEES ASSOCIATION (CMEA) FOR FISCAL YEARS 2014 – 2016**

<ManagersName> — DEPARTMENT MANAGER'S SIGNATURE

<ManagersDate> — DATE

REVIEW / APPROVAL

<LegalName> — CITY ATTORNEY

<LegalDate> — DATE

<ControllerName> — CITY CONTROLLER

<ControllerDate> — DATE

<CityManager> — CITY MANAGER

<CityManagerDate> — 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.

July 28, 2015

TO: **HONORABLE MAYOR AND COUNCIL**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE CITY MANAGER 2015-2016 FISCAL YEAR BUDGET TO ADD A PROJECT MANAGER POSITION**

SUMMARY

A resolution of the City Council of the City of Compton authorizing the City Manager to amend the City Manager Fiscal Year 2015-2016 annual budget to add a Project Manager position.

BACKGROUND

The City of Compton has the following bonds: the Lease Revenue Bonds, Sewer Bond and Water Bonds. Each of these bonds was processed in Fiscal Year 2008–2009. The bond covenanted gave the City five (5) years to expend the revenue of these bonds for the projects listed.

STATEMENT OF THE ISSUE

With the three (3) bonds the City has not completed spending of the funds in the time allotted and has an extension to complete the projected listed by Fiscal Year 2016-2017. The management of theses bond requires additional staffing to make sure that we are able to achieve the goal of completing all projects by the new completion date.

It is very cost effective to have a position that would report to the City Manager and work with the respective department heads to insure completion. The cost of the position can be funded through the bonds and not be a General Fund expense. This position will allow for better information and consistency in reporting and scheduling of each project.

ALTERNATIVE

The only alternative is to fund the position through General Fund which doesn't have a funding source to sustain the position in the current fiscal year budget.

Staff Report Amending City Manager
Budget for Project Manager Position
July 28, 2015, Page 2

FISCAL IMPACT

Adding this position to the budget will not increase any General Fund expenses due to position being funded through the bond proceeds. The 2015-2016 Fiscal Year Budget should be amended to add the position of Project Manager and distribute revenues as follows:

Increase Revenue

Fund Number	**Amount**
5000-000-000-3970	$151,574.62
Total	**$151,574.62**

Increase Expense

Fund Number	**Amount**
5000-510-000-4101	$90,000.00
5000-510-000-4190	$ 3,870.00
5000-510-000-4191	$16,260.84
5000-510-000-4192	$29,872.80
5000-510-000-4193	$ 7,224.18
5000-510-000-4194	$ 196.80
5000-510-000-4195	$ 1,256.52
5000-510-000-4196	$ 384.48
5000-510-000-4197	$ 233.00
5000-510-000-4198	$ 971.00
5000-510-000-4199	$ 1,305.00
Total	**$151,574.62**

RECOMMENDATION

Staff recommends the City Council amend/add to the City Manager's Department Fiscal Year 2015-2016 budget to add a Project Manager position.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE CITY MANAGER'S 2015-2016 FISCAL YEAR BUDGET TO ADD A PROJECT MANAGER POSITION

WHEREAS, due to the upcoming workload the City Manager's Office has a need to add a Project Manager position in the 2015-2016 Fiscal Year Budget; and

WHEREAS, in Fiscal Year 2008-2009 the City took out the following bonds: the Lease Revenue Bonds, Sewer Bonds and Water Bonds, which had a five (5) Year covenant for the City to expend the revenue of these bonds; and

WHEREAS, the City has not completed the spending of funds for the three (3) bonds in the allotted time frame and received an extension to complete the projected list by the 2016-2017 Fiscal Year; and

WHEREAS, the management of these bonds require additional staffing to assure that we achieve the goal of completing all projects by the extension date; and

WHEREAS, a cost-effective solution is to add the position of Project Manager to the City Manager's budget and have that individual work with the respective department heads to insure project completions by the new date and report the progress to the City Manager; and

WHEREAS, the cost of the position can be funded through the bonds and therefore, there will not impact the general fund; and

WHEREAS, the City Manager's 2015-2016 Fiscal Year budget will need to be amended to add the position of Project Manager and increase revenues and expenditures.

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 amend the City Manager's Fiscal Year 2015-2016 annual budget to add the position of Project Manager and increase revenue and expense as follows:

Increase Revenue

Fund Number	**Amount**
5000-000-000-3970	$151,574.62
Total	**$151,574.62**

Increase Expense

Fund Number	**Amount**
5000-510-000-4101	$90,000.00
5000-510-000-4190	$ 3,870.00
5000-510-000-4191	$16,260.84
5000-510-000-4192	$29,872.80
5000-510-000-4193	$ 7,224.18
5000-510-000-4194	$ 196.80
5000-510-000-4195	$ 1,256.52
5000-510-000-4196	$ 384.48
5000-510-000-4197	$ 233.00
5000-510-000-4198	$ 971.00
5000-510-000-4199	$ 1,305.00
Total	**$151,574.62**

SECTION 2. That copies of this Resolution shall be filed in the offices of the City Manager, 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 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: **City Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE CITY MANAGER 2015-2016 FISCAL YEAR BUDGET TO ADD A PROJECT MANAGER**

<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.
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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.

July 28, 2015

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE CITY MANAGER'S FY 2015-16 BUDGET TO REFLECT THE STAFFING FOR THE GANG INTERVENTION PROGRAM AS PREVIOUSLY APPROVED BY THE COUNCIL (NO FISCAL IMPACT)

BACKGROUND

On April 7, 2015, the City Council adopted Resolution No. 24,121, which authorized the creation and development of a City-Operated Gang Prevention Program. On June 23, 2015, the City Council adopted the City Budget, which included the funding for the Gang Prevention Program.

STATEMENT OF ISSUE

The purpose of this resolution is to amend the City Manager's budget to add thirteen (13) part-time Community Service Worker positions to the 2015-2016 Fiscal Year budget for the Gang Intervention Program.

The City's Gang Prevention Program was created by the City Council as a tool to supplement the LA County Sheriff Department efforts in prevention and deterrence of criminal activity within our community. In particular, the City Council's vision and goal is for the City to develop its own program that would specifically serve as a prevention and intervention tool and resource program for the youth to divert them from gang violence and criminal activity.

FISCAL IMPACT

There is no fiscal impact to the budget as funding for the program was approved with the adoption of the 2015-2016 Fiscal Year budget.

RECOMMENDATION

Staff respectfully recommends that the City Council adopt the attached resolution.

JOHNNY FORD
CITY MANGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE CITY MANAGER'S FY 2015-16 BUDGET TO REFLECT THE STAFFING FOR THE GANG INTERVENTION PROGRAM AS PREVIOUSLY APPROVED BY THE COUNCIL (NO FISCAL IMPACT)

WHEREAS, on April 7, 2015, the City Council adopted Resolution No. 24,121, which authorized the creation and development of a City-Operated Gang Prevention Program; and

WHEREAS, on June 23, 2015, the City Council adopted the FY 2015-16 Budget, which included the funding for the Gang Prevention Program, and

WHEREAS, the purpose of this resolution is to amend the City Manager's 2015-2016 Fiscal Year budget to add thirteen (13) part-time Community Service Worker positions for the Gang Intervention Program.

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

SECTION 1. That the City Manager is hereby authorized to amend the City Manager's 2015-2016 Fiscal Year budget to add thirteen (13) part-time Community Service Worker positions.

SECTION 2. That a certified copy of this Resolution shall be filed in the Offices of the City Clerk, City Manager, City Controller, and the Department of Human Resources.

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:

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

_____
CITY CLERK OF THE CITY OF COMPTON

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE CITY MANAGER'S FY 2015-16 BUDGET TO REFLECT THE STAFFING FOR THE GANG INTERVENTION PROGRAM AS PREVIOUSLY APPROVED BY THE COUNCIL (NO FISCAL IMPACT).**

Kelly Montgomery — **7/16/2015 10:32:27 AM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/16/2015 5:29:59 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/16/2015 3:16:57 PM**
CITY CONTROLLER — DATE

Kelly Montgomery — **7/16/2015 10:33:13 AM**
CITY MANAGER — DATE

Use when:	
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Asst. City Manager/OAS:	All personnel actions.

July 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 PROFESSIONAL SERVICES AGREEMENT WITH CIVIL SOURCE, INC., TO PROVIDE DESIGN SERVICES FOR THE WILMINGTON AVENUE SAFE STREETS PEDESTRIAN/BICYCLE IMPROVEMENT PROJECT AT A COST NOT TO EXCEED $84,050**

SUMMARY

This resolution accepts the proposal from Civil Source, Inc. to provide design services for the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvement project, authorizing the City Manager to enter into a professional service agreement and issue a purchase order in the amount of $84,050 for design services.

BACKGROUND

The State's new Active Transportation Program (ATP) was established by the passage of SB99 and AB101 in 2013. The program provides funding for projects that encourage the increased use of active transportation modes including bicycling and walking.

Projects funded through ATP must meet at least one of the following program goals:

- Increase the percentage of trips accomplished by walking or bicycling
- Increase the safety and mobility of non-motorized users
- Advance the active transportation efforts of regional agencies to achieve Green House Gas reduction goals
- Improve public health including reduction of childhood obesity through the use of projects that are eligible for, but are not limited to Safe Routes to School funding
- Ensure that disadvantaged communities share in the program benefits
- Provide a wide spectrum of projects that benefit many types of active transportation users

In September 2014, the City of Compton received an official notice that it was awarded an ATP Cycle 1 Grant for its submittal of the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvement Project. The grant provides for both design and construction of the proposed improvements and has a completion schedule for design in FY 2015-16 and construction in FY 2016-17.

The Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements is a pedestrian and bicycle safety improvement project aimed to improve pedestrian and bicycle safety for communities adjacent to the Wilmington Avenue transportation corridor by developing safer pedestrian crossings and intersections, as well as installing bicycle lanes to improve bicycle visibility and safety, thereby reducing collisions. The proposed pedestrian and bicycle safety improvements include the following:

- **El Segundo Boulevard at Wilmington Avenue** – Installation of wider and colored crosswalks, high visibility crosswalk striping, countdown pedestrian signals and enhanced pedestrian lighting
- **131st Street at Wilmington Avenue** – Installation of wider crosswalks, high visibility crosswalk striping, countdown pedestrian signals and enhanced pedestrian lighting
- **133rd Street at Wilmington Avenue** – Installation of wider sidewalks, pedestrian actuated traffic warning system, Rectangular Rapid Fire Beacon LED warning light and sign, and embedded LED flashing beacons
- **Wilmington Avenue between 137th and 139th Streets** – Installation of sidewalks along the westerly side of Wilmington Avenue
- **Stockwell Street at Wilmington Avenue** – Installation of wider crosswalks, high visibility crosswalk striping, countdown pedestrian signals and enhanced pedestrian lighting
- **139th Street at Wilmington Avenue** – Installation of wider crosswalks, high visibility crosswalk stripping, countdown pedestrian signals and enhanced pedestrian lighting
- **Wilmington Avenue between El Segundo Boulevard and Rosecrans Avenue** – Installation of Class II bike lanes with advisory signage and installation of four (4) solar powered speed feedback signs for speed control and attainment
- **Rosecrans Avenue between Wilmington Avenue and the Compton Creek** – Installation of Class II bike lanes with wayfinding signage to connect the Wilmington Avenue Class II bike lanes (s) and El Segundo Boulevard

The need for this project came from concerned citizens and officials from the community and the Compton Unified School District regarding safe crossing of students at various intersections and improvements to access the Compton Creek Bike Path and bike safety along Wilmington Avenue. Students from

Willowbrook and Davis Middle Schools, Harriet Tubman High School, Cesar Chavez Continuation School and Washington Elementary School directly access the Wilmington Avenue corridor and a majority of the students walk or bike along this route.

On June 10, 2015, the Public Works/Municipal Utilities Department solicited proposals from qualified design engineering firms and received four (4) responses ranked as follows:

Rank	Firm	Location
1	Civil Source	Irvine, CA
2	Advantec	Diamond Bar, CA
3	JMDiaz	City of Industry, CA
4	APA Engineering	Irvine, CA

Civil Source, Inc. provided the most responsive proposal for design services. Civil Source is a certified Disadvantage Business Enterprise/Women's Business Enterprise/Small Business Enterprise located in Irvine, CA. offering a large network of professionals with expertise in a broad range of engineering fields with teams that include licensed civil engineers, construction managers, certified inspectors, and experienced public works professionals.

Civil Source, Inc. proposed scope of work includes, but is not limited to:

Phase I – Preliminary Design

a. Kick-Off Meeting
b. Data Collection and Project Documentation
c. Topographic Survey
d. Utility Investigation & Coordination
e. Geotechnical Investigation and Report
f. Preliminary Plans
g. Meetings/Schedules

Phase II – Final Design – Plans, Specifications, & Estimates

a. Final Improvement Plans
b. Specifications
c. Quantity and Cost Estimates
d. State/Federal Funding Requirements

Phase III – Bidding/Construction Services

a. Bidding Services
b. Construction Services

Civil Source, Inc proposes to have the final design plans, specifications, and estimates (PSE) completed in approximately 6 month of receiving the Notice to Proceed (December 2015).

STATEMENT OF THE ISSUE

In order to enter into a professional services agreement with Civil Source, Inc. to provided engineering design services, City Council's approval is necessary.

ALTERNATIVE

There is no other alternative. The City has received authorization for the California Transportation Commission for use of its' ATP appropriated funds for design efforts. The overall schedule calls for design to be completed this fiscal year, and construction to be completed next fiscal year, FY 2016-17.

The City's pavement condition within the ATP project boundary is in dire need of immediate rehabilitation. The pavement design services will address this need and develop the necessary construction documents to begin necessary roadway pavement rehabilitation throughout the City.

FISCAL IMPACT

Funds in the amount of $84,050 are allocated in the Public Works/Municipal 2015-2016 Fiscal Year budget in Account No. 1900-710-000-4269.

RECOMMENDATION

Staff recommends that the City Council:

a) Accept the proposal dated June 30, 2015 submitted by Civil Source, Inc. to provide design services;
b) Authorize the City Manager to enter into a professional services agreement and issue a purchase order for $84,050.

GLEN W.C. KAU, P.E., DIRECTOR
PUBLIC WORKS/MUNICIPAL UTILITIES 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 ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH CIVIL SOURCE, INC., TO PROVIDE DESIGN SERVICES FOR THE WILMINGTON AVENUE SAFE STREETS PEDESTRIAN/BICYCLE IMPROVEMENT PROJECT AT A COST NOT TO EXCEED $84,050

WHEREAS, the State's new Active Transportation Program ("ATP") was established by the passage of SB99 and AB101 in 2013; a program that provides funding for projects that encourage the increased use of active transportation modes including bicycling and walking; and

WHEREAS, in September 2014, the City of Compton received an official notice that it was awarded an ATP Cycle 1 Grant; which provides for both design and construction of the proposed improvements and has a completion schedule for design in FY 2015-16 and construction in FY 2016-17; for its submittal of the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvement Project; and

WHEREAS, the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements is a pedestrian and bicycle safety improvement project aimed to improve pedestrian and bicycle safety for the communities adjacent to the Wilmington Avenue transportation corridor by developing safer pedestrian crossings and intersections as well as installing bicycle lanes to improve bicycle visibility and safety, thereby reducing collisions; and

WHEREAS, on June 10, 2015, the Public Works/Municipal Utilities Department solicited proposals from qualified design engineering firms and received four (4) responses and the top ranking most qualified firm was determined by staff to be Civil Source, Inc. from Irvine, CA; and

WHEREAS, the proposal submitted by Civil Source, Inc. was the most responsive proposal for design services and is a certified DBE/WBE/SBE located in Irvine, CA. offering a large network of professionals with expertise in a broad range of engineering fields with teams that include licensed civil engineers, construction managers, certified inspectors, and experienced public works professionals; and

WHEREAS, funds in the amount of $84,050 are allocated in the Public Works/Municipal 2015-2016 Fiscal Year budget in Account No. 1900-710-000-4269; and

WHEREAS, staff recommends the acceptance of the proposal, authorizing the City Manager to enter into a professional services agreement and issue a purchase order in an amount not to exceed $84,050.

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

SECTION 1. That the proposal of Civil Source, Inc. is hereby accepted and all others rejected.

SECTION 2. City Manager, upon approval of the City Attorney is authorized to enter into a professional services agreement with Civil Source, Inc. for engineering design services for the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements project.

SECTION 3. That funds in the amount of $84,050 are available in the Public Works/Municipal Utilities Department's 2015-2016 Fiscal Year budget in Account No. 1900-710-000-4269.

SECTION 4. That a purchase order in the amount of $84,050 is authorized to be issued to Civil Source, Inc. for design services.

SECTION 5. 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 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 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

PROPOSAL

Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements

Prepared for

City of Compton

June 30, 2015

CivilSource

#18.

CivilSource

June 30, 2015

Mr. Glen W.C. Klau, P.E.
Director of Public Works/Municipal Utilities
City of Compton
205 South Willowbrook Avenue
Compton, CA 90220Compton

SUBJECT: Proposal for Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements

Dear Mr. Klau:

In response to the City of Compton's (City) request, CivilSource, Inc. (CivilSource) is pleased to present this proposal to perform professional design engineering services for the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements project. We are committed to meeting the City's needs and offer the following:

- **Project Understanding.** We have evaluated the scope of work provided in the RFP and evaluated the project site. CivilSource fully understands the scope of work and is prepared to provide the City with competent professional engineering services to complete this project.
- **Technical Approach and Methodology.** CivilSource has a proven work plan to complete projects on time, within budget, and with minimal impact to the surrounding businesses and residents. Our quality, cost, and schedule control measures will result in timely and successful completion of the City's project.
- **Knowledge of Local Environment.** The CivilSource Team has been actively participating in projects within the local area for many years and has completed several projects for City of Compton, as well as other nearby cities. Our combination of past local experience and present project undertakings produces a project team that is thoroughly acquainted with the local environment and the needs of the City.
- **Recent Related Experience.** We have successfully completed three Safe Routes to School projects within the last five years for the cities of Costa Mesa and Hermosa Beach. (See Experience section.)
- **Past Performance Record.** CivilSource has a proven track record of successfully providing professional services to several local agencies throughout southern California, most of which have been repeat clients, including the cities of Brea, Buena Park, Costa Mesa, Culver City, Downey, Hermosa Beach, Huntington Beach, Irvine, La Habra Heights, Lake Forest, Lomita, National City, Norwalk, Rancho Santa Margarita, Santa Monica, Villa Park and Yorba Linda as well as the Laguna Beach County Water District and others. *We encourage the City to contact our references to confirm our successful track record.*

We believe these strengths make CivilSource uniquely qualified to provide the City with professional services. We thank you for the opportunity to submit our proposal and we look forward to further discussions with you regarding your project. Should you have any questions or need additional information, please contact me at our office (949) 585-0477 or by email at aamirani@civil-source.com.

Respectfully submitted,
CivilSource, Inc.

Amy Amirani

Amy Amirani, P.E.
Principal

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1. GENERAL EXPERIENCE

FIRM PROFILE

A certified DBE/WBE/SBE located in Irvine, CivilSource was established as a California Corporation in 2006 specializing in program management, engineering design and construction management and inspection of capital improvement projects including streets; traffic systems; drainage and flood control; parks and recreational facilities; water and wastewater systems; vertical construction; and landscaping and irrigation. Offering a large network of professionals with expertise in a broad range of engineering fields, our team includes licensed civil engineers, construction managers, certified inspectors, and experienced public works professionals. All team members are extensively experienced working within the structure of municipal government and public construction policy and will seamlessly integrate into the City of Compton (City).

What makes CivilSource uniquely qualified to provide these services to the City?

CivilSource was founded by Amy Amirani, a registered Civil Engineer in the State of California. Her 35+ years of civil engineering experience includes leading teams in providing design engineering, construction management and inspection services for municipalities throughout southern California and formerly serving as the Public Works Director for the cities of Hermosa Beach and San Juan Capistrano. **We assure the City that the CivilSource team, led by Ms. Amirani, can provide any professional engineering services required.**

Over the years, our successful delivery of products and services has resulted in repeat clients for a broad range of municipal services. Our key services include:

- Civil Engineering Design
- Construction Management & Inspection
- Plan Check/Review
- Building & Safety Services
- Constructability Review
- Grant Application, E 76 and Funding Management
- Staff Augmentation
- Project Management
- Pavement Management Studies
- Labor Compliance
- Public Outreach
- Right of Way Engineering

The following are specific examples of projects that are representative of the type of projects CivilSource has designed in the past five years:

PROJECT EXPERIENCE- PEDESTRIAN/BICYCLE IMPROVEMENTS

CITY OF COSTA MESA | PS&E Engineering Services for Capital Improvement Projects
Fariba Fazeli, Senior Engineer, (714) 754-5378
77 Fair Drive, Costa Mesa, CA 92626

CivilSource has completed PS&Es for several capital improvement projects in the City of Costa Mesa consisting of the following types of improvements/modifications: roadway rehabilitation, traffic signal, parkway, landscaping and irrigation, and storm drain improvements. Relevant projects include:

- **Broadway Street & Streetscape Improvements** (Completed 04/2012). Prepared plans, specifications and estimates for this federally-funded Safe Route to School project to implement traffic calming measures on Broadway to address resident concerns for speeding and **to improve pedestrian and bicyclist safety.** The project included the design of bulb-outs and medians, roadway rehabilitation, traffic signal, parkway, landscaping and irrigation, and storm drain improvements. The project also required utility coordination and potholing to verify locations of existing utilities and preparation of signing and striping plans. The CivilSource effort included managing the design efforts, utility coordination, right of way investigations, grant administration, and all necessary public outreach tasks. Public outreach consisted of one-on-one communication with each affected resident, facilitating public meetings, and incorporating resident comments into the design as necessary.
- **East 19th Street Improvements/Safe Route to School** (Current). Preparing plans, specifications and estimates for this **federally funded Safe Route to School (SRTS) project.** Scope of services consists of preparation and processing of environmental documents (Preliminary Environmental Studies), obtaining federal approval for construction and construction support, right of way investigations, and civil engineering design plans to include the use of chokers and median improvements, roadway rehabilitation, and parkway improvements. The project also includes the design of three (3) monument signs.

CITY OF HERMOSA BEACH | Safe Routes to School – Hermosa View Improvements
Homayoun Behboudi, Project Manager, (310) 318-0239
1315 Valley Drive, Hermosa Beach, CA 90254

(Completed 2013) CivilSource provided design engineering and construction inspection services for the Hermosa View School Safe Route to School Project. The existing routes to Hermosa View School are characterized by a lack of continuous sidewalks, limited sight distance, outdated signage, high commuter traffic, crossing deficiencies, incomplete crosswalks and other features that contribute to hazardous conditions for students walking or biking to school. The improvements included installation of continuous sidewalk and ADA curb access ramps; installation of crosswalks and pedestrian countdown signals; upgrading of school zone signs; and the addition of stand back lines with barriers in front of the school.

CITY OF LAGUNA WOODS | El Toro Road/Aliso Creek Phase II Bicycle and Pedestrian Improvements
Chris Macon, City Manager, (949) 639-0561
24264 El Toro Road, Laguna Woods, CA92637

(Completed 2013) CivilSource was contracted by the City of Laguna Woods to provide on-call civil engineering services, including E76 support services. Although CivilSource did not submit the original E76 package, our services were instrumental in its approval. The E76 package was returned from Caltrans Headquarters

unapproved at a time that put the project at risk of missing the contract award deadline and ultimately, losing the allocated funds. CivilSource worked closely with Authority representatives and Caltrans Local Assistance to address comments and make changes to the E76 documents as necessary. This included exchange of several emails, several phone calls, and meeting with Caltrans Local Assistance for immediate resolution of issues. In addition, CivilSource initiated a Request for Extension for approval by the CTC. CivilSource submitted revised E76 documents to Caltrans and the project received E76 approval, allowing project advertisement and award before the contract award deadline.

PROJECT EXPERIENCE – PAVEMENT MANAGEMENT PROGRAM

CITY OF CYPRESS | PAVEMENT MANAGEMENT PROGRAM UPDATE
Kamran Dadbeh, City Engineer, (714) 229-6756
5725 Orange Avenue, Cypress, CA 90630

(Completed 2014) CivilSource provided data collection and field review for the assessment of 112.5 miles of City streets within the City of Cypress. The team was responsible for completing the assessment and updating of the Pavement Management Plan conforming to the OCTA requirements.

CITY OF VILLA PARK | PAVEMENT MANAGEMENT PROGRAM UPDATE
Jarad Hildenbrand, City Manager, (714) 998-1500
17855 Santiago Boulevard, Villa Park, CA 92861

(Completed 2014) CivilSource provided data collection and field review for the assessment of 35 miles of City streets within the City of Villa Park. The team was responsible for completing the assessment and updating of the Pavement Management Plan conforming to the OCTA requirements.

CITY OF LAGUNA WOODS | PAVEMENT MANAGEMENT PROGRAM UPDATE
Chris Macon, City Manager, (949) 639-0561
24264 El Toro Road, Laguna Woods, CA92637

(Completed 2014) CivilSource provided data collection and field review for the assessment of 10.7 miles of City streets within the City of Laguna Woods. The team was responsible for completing the assessment and updating of the Pavement Management Plan conforming to the OCTA requirements.

PROJECT EXPERIENCE – ON-CALL ENGINEERING SERVICES

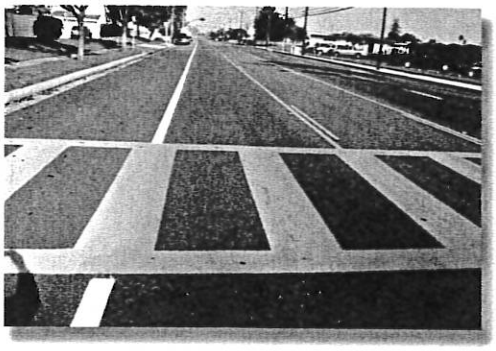
CITY OF CYPRESS | On-Call Civil Engineering Design Services
Alvin Papa, Senior Civil Engineer, (714) 229-6746
5275 Orange Ave., Cypress, CA 90630

CivilSource was awarded an as-needed professional engineering services contract to provide design engineering services for several roadway improvement projects. Projects to date include:

- **Cerritos Avenue (East) Widening Project** (Completed 04/2014). The project provided for widening of the roadway to full width for additional through capacity thereby relieving congestion at the intersection. The proposed improvements consist of removal and replacement of curb, gutter, sidewalk, curb ramps, and driveways; relocation of traffic signals, power poles, light poles, fire hydrants, and utility boxes; and asphalt paving, traffic striping, retaining wall construction, and other appurtenant site improvements on the east side of Walker Street and along the south side of Cerritos Avenue. Services entailed soil testing and structural section design; field surveying; design of concrete improvements; traffic signal modification design, street light relocation design and coordination providing wheelchair ramp designs; traffic control plans, preparation of plans, specifications and cost estimates; and, construction engineering support.

- **Katella Avenue Improvements** (Completed 07/2013). Services included preparing street improvement plans for the Katella Avenue and Meridian Drive Intersection included checking existing access ramps and design

improvements to comply with ADA Standards; revising existing raised medians to ensure no interference with proposed crosswalks; adding missing crosswalks across Katella Avenue; surveying and plotting 10'x10' grid for the intersection to evaluate grades in relation to drainage and rideability and design recommended improvements; and the addition of pedestrian push button and pedestrian indicator head.



- **Holder Street Improvements** (Completed 07/2013) Services included preparing street improvement and striping plans for Holder Street to improve the crosswalks and ramps at the intersection to comply with ADA standards and stripe a southbound bike lane along Holder Street.

CITY OF BREA | AS-NEEDED PROFESSIONAL ENGINEERING SERVICES
Ken Kim, Civil Engineer, (714) 5962-3608
6650 Beach Boulevard, Buena Park, CA 90622

CivilSource was awarded an as-needed professional engineering services contract to provide design engineering services for several capital improvement projects. Projects to date include:

Puente Avenue Rehabilitation. (Completed 2011) CivilSource prepared the plans, specifications and estimates for the Puente Avenue Rehabilitation project. The project consisted of pavement rehabilitation; replacement of damaged curb, gutter and sidewalk; and construction of ADA compliant curb ramps. Services consist of preliminary engineering, final engineering and bid phase construction support.

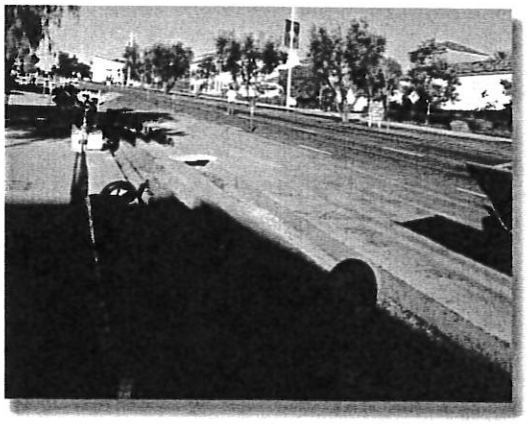
Glenbrook Tract Water main. (Ongoing) CivilSource is currently preparing the plans, specifications and estimates for the removal and replacement of an existing 6-inch and 8-inch water mains, gate valves, services, meters, fire hydrants, pressure regulation station(s) and appurtenances.

CITY OF YORBA LINDA | On-Call Professional Civil Engineering Services
Fredy A. Castillo, Assistant Engineer, (714) 961-7170
4845 Casa Loma, Yorba Linda CA, 92886-3364

(Completed 2012) As part of an on-call civil engineering services contract, CivilSource prepared plans, specifications and estimates for a 2-mile primary arterial highway rehabilitation project (Yorba Linda Boulevard Street Rehabilitation). Improvements included asphalt overlay, reconstruction of curbs and gutters, cross gutters, spandrels, sidewalks, driveways and driveway approaches, ADA ramps, striping, traffic signal loops, and traffic control.

PROJECT EXPERIENCE – DESIGN ENGINEERING PROJECTS

CITY OF LAGUNA WOODS | El Toro Road Pavement Rehabilitation
Douglas C. Reilly, Assistant City Manager, (949) 639-0561
24264 El Toro Road, Laguna Woods, CA 92637



(Completed 2014) Services included the preparation of plans, specifications and estimates and construction support services for rehabilitating the pavement of the roadway on El Toro Road from Calle Sonora to approximately 900' west of Moulton Parkway; and reconstructing curbs as needed. The project included the relocation of the curb and gutter to widen the sidewalk by three (3) feet with all the appurtenances, such as reconstructing catch basins, relocating traffic signs, etc. Also, the project included upgrading ADA ramps at various locations to be in compliance with ADA requirements. Services also included preparing and submitting an SLPP grant application to OCTA, and grant administration during the design and construction phases.

CITY OF CULVER CITY | Sawtelle Boulevard Street Rehabilitation
Sammy Romo, Project Manager, (310) 253-5600
9770 Culver Boulevard, Culver City, CA 90232-0507

(Completed 2013) CivilSource provided professional design services for the $1.5 million Sawtelle Boulevard Street Rehabilitation from Venice Boulevard to Matteson Street. Services included providing construction plans and cost estimates, preparing traffic control plans and processing a Caltrans encroachment permit for the work. The traffic control plans were prepared in accordance with Caltrans requirements and included a detour plan and advanced message boards as the proposed work impacted the I-405 on- and off-ramps.

CITY OF BUENA PARK | Stage Road Rehabilitation
Jim Biery, (714) 562-3677
6650 Beach Boulevard, Buena Park, CA 90622

(Completed 2010) CivilSource provided design and construction support services for the $1.1M Stage Road Rehabilitation. Improvements included total pavement reconstruction, redesign of existing cross sections as needed to improve drainage and drivability, and repair of damaged sections of the asphalt. Services also included soils testing, field surveying, utility relocation/coordination; multiple agency coordination; evaluation of access ramps for ADA compliance; and evaluation of traffic loop detectors; preparation of plans, specifications and cost estimates; and construction engineering support.

CITY OF REDONDO BEACH | PACIFIC COAST HIGHWAY/PALOS VERDES BOULEVARD
Sam Altowaiji, City Engineer, (310) 318-0661 ext. 1-2431
415 Diamond Street, Door E, Redondo Beach, CA 90277

(Ongoing) Currently preparing plans, specifications and estimates for the Pacific Coast Highway (PCH) and Palos Verdes Boulevard Intersection Improvements. The proposed improvements consist of the installation of a right turn lane along Palos Verdes Boulevard at the northeast corner with PCH. The existing sidewalk will be reduced, the street widened, and a right turn lane installed. *Consideration for bicycle improvements is also necessary.*

CITY OF IRVINE | CULVER/WALNUT WIDENING AND STREET IMPROVEMENTS
Kirk Streets, Senior Project Manager, (949) 724-7554
6427 Oak Canyon, Building #1, Irvine, CA 92618

(Completed 2010) CivilSource provided project management for the preparation of plans, specifications, and estimates for a $2.5M roadway/intersection widening and street rehabilitation. Improvements included widening the roadway for additional lanes; median modifications; traffic signal and interconnect facility modifications; landscaping and irrigation modifications; ADA compliant sidewalks, bus stops and access ramps construction; and removal and replacement of damaged curb, gutter and sidewalk.

Services entailed obtaining right-of-way clearance, utility relocation/coordination, identification of required easements, preparation of legal descriptions, coordination/facilitation of meetings with surrounding businesses and residents, Caltrans coordination, landscape architecture, field surveying, value engineering, hydrology and hydraulic studies, preparation of plans, specifications and cost estimates, management of design team, and construction engineering support.

CITY OF IRVINE | UNIVERSITY DRIVE REHABILITATION
Kirk Streets, Senior Project Manager, (949) 724-7554
6427 Oak Canyon, Building #1, Irvine, CA 92618

(Completed 2010) CivilSource prepared plans, specifications and estimates for this $1.7 million street rehabilitation project. Improvements included removal and replacement of existing curb and gutter and median, cold milling and construction of ARHM overlay, and installation of tree root barriers. Services included utility coordination; coordination with IRWD and The Irvine Company regarding simultaneous construction projects; Caltrans coordination; field surveying; evaluation of access ramps for ADA compliance; evaluation of traffic loop detectors; design of structural section, curb and gutter, and sidewalks; arboricultural evaluation; and construction support.

CITY OF HUNTINGTON BEACH | CITY HALL MODIFICATIONS
Tom Herbel, City Engineer, (714) 536-5431
2000 Main Street, Huntington Beach, CA 92648

(Completed 2010) CivilSource prepared the plans and processed the required permits for the city hall modifications. The scope of services included architectural drawings (general plan, demo and proposed floor plans, demo and proposed reflected ceiling plans, interior elevations, finish schedule and miscellaneous details) and electrical drawings (power and lighting plans, panel schedule, and Title 24 for lighting).

ADDITIONAL EXPERIENCE

PROJECT EXPERIENCE SUMMARY

Agency	Project	Services		Capital Improvement Type					
		Engineering Support	CM/Inspection	Streets & Alleys	Bridges	Facilities &Community	Sewer, Storm Drain & Water	Parks & Parks Facilities, Landscaping/Irrigation	Traffic Signal & Lighting
City of Baldwin Park	Storm Drain Improvements on Corak Street	✓		✓			✓		
City of Brea	Puente Avenue Rehabilitation	✓		✓					
	Glenbrook Tract Water Main Replacement	✓					✓		
City of Buena Park	Franklin & Darlington Improvements	✓		✓					
	SR-91 Freeway E/B On-Ramp Widening		✓	✓					
	Stage Street Rehabilitation	✓		✓					
City of Costa Mesa	Magnolia Avenue/Alley/Parking Lot	✓		✓					
	Tustin Avenue and Alley No. 109	✓		✓					
	Broadway Street Improvements (SRTS)	✓		✓			✓		
City of Culver City*	Sawtelle Boulevard Rehabilitation	✓		✓					
	Four Sewer Pump Station Rehabilitation		✓				✓		
	Demonstration Rain Gardens		✓					✓	
City of Cypress	Cerritos Avenue Widening	✓		✓			✓		✓
City of Downey	Paramount Boulevard Pavement Rehabilitation		✓	✓					
	Lakewood Boulevard Improvements		✓	✓					
	Downey Boulevard Improvements		✓	✓					
City of Fountain Valley	Residential Paving Program	✓		✓					
	15 Year Sewer System Improvements	✓					✓		
	TI159 Industrial Streets Rehabilitation		✓	✓					
City of Hermosa Beach	Active South Park	✓						✓	
	Hermosa View SR2S Project	✓	✓	✓					✓

PROJECT EXPERIENCE SUMMARY										
		Services		Capital Improvement Type						
Agency	Project	Engineering Support	CM/Inspection	Streets & Alleys	Bridges	Facilities &Community	Sewer, Storm Drain & Water	Parks & Parks Facilities, Landscaping/Irrigation	Traffic Signal & Lighting
	Pier Avenue Improvements		✓	✓			✓		
City of Huntington Beach	City Hall Modifications	✓				✓			
	Sewer Lift Station #24 & Force Main		✓				✓		
	Utility Operations Center Upgrades		✓			✓			
	Warner Avenue Bridge Preventative	✓			✓				
City of Irvine	Culver/Walnut Widening	✓		✓			✓		✓
	University Drive Rehabilitation	✓		✓					
Irvine Ranch Water District	Portola Hills Lift Station Improvements	✓					✓		
City of La Habra	La Bonita Park Water Facility	✓	✓	✓		✓	✓	✓	
City of La Habra Heights	Hacienda Park Improvements	✓						✓	
	Playground Equipment Replacement	✓						✓	
	Residential Zone 4 & 5 Pavement	✓		✓					
City of Laguna Beach	North Laguna Alley Rehabilitation	✓		✓					
	Storm Drain Replacement at City's Dog Park	✓					✓		
	Lift Station and Force Main Improvements		✓				✓		
Laguna Beach County Water District	Cast Iron Pipe Replacement Project	✓	✓				✓		
	La Brea Area Flow Imps/Viejo St. CIP	✓	✓				✓		
	Palmer Place Flow Improvement Project	✓	✓				✓		
City of Laguna Niguel	Paseo De Colinas Bridge Seismic Retrofit	✓			✓				
	Golden Lantern Roadway Widening		✓	✓					
	Sea County Community & Senior Center		✓			✓			
City of Laguna Woods	On-Call Engineering Services	✓	✓	✓	✓	✓	✓	✓	✓
	On-Call Traffic Engineering Services	✓	✓						✓
City of Lake Forest	Trabuco Boulevard Street Improvements		✓	✓				✓	✓
	Rue De Fortuna Traffic Signal Improvements		✓						✓
	Heroes Snack Bar and Restroom Facility		✓		✓			✓	
City of Lomita	Water Main Replacement on PCH		✓				✓		
	Water Main & Street Improvements		✓	✓			✓		
	Citywide Sidewalk Improvements (SR2S)	✓	✓	✓					
City of Long	Lois Lane Alley Improvements	✓		✓					
City of Los	Ball/Bloomfield Storm Drain Improvements		✓	✓			✓		
Moulton Niguel	Camino Capistrano Pipe Relocation	✓					✓		
City of Norwalk	I-5 Mitigation at Union and Paddison		✓	✓					
Orange County Public Works	Bayview Drive		✓	✓					
	Foothill Boulevard		✓	✓					
	Moulton Parkway Segment 3 Phase II		✓	✓					
	Crawford Canyon Road		✓	✓					
City of Pomona	Citywide Alley Improvements		✓	✓					
City of Rancho Santa Margarita	Melinda Road and Los Alisos Slurry Seal		✓	✓					
	Installation of Battery Back Up Systems		✓						✓

PROJECT EXPERIENCE SUMMARY										
Agency	Project	Services		Capital Improvement Type						
		Engineering Support	CM/Inspection	Streets & Alleys	Bridges	Facilities &Community	Sewer, Storm Drain & Water	Parks & Parks Facilities, Landscaping/Irrigation	Traffic Signal & Lighting
	Antonio Parkway Resurfacing		✓	✓					
	Robinson Ranch Road Traffic Calming		✓	✓				✓	✓
City of San Juan Capistrano	Community Center Modifications	✓	✓			✓			
	Public Works Building Modifications	✓	✓			✓			
	Stone Field Soccer Park	✓	✓					✓	
Santa Margarita Water District	Antonio Parkway Forcemain Realignment	✓					✓		
City of Santa Monica	2nd/4th Street Transit Mall Improvements		✓	✓				✓	✓
	Bike Center/Parking Structure Improvements		✓	✓		✓			
	Annual Paving & Sidewalk Repair		✓	✓					
City of Stanton	Western Avenue Sewer Rehabilitation								
City of Villa Park	FY 11/12 Street Improvement Project	✓	✓	✓					
City of Yorba Linda	Savi Ranch Signs Display	✓	✓			✓	✓		
	Yorba Linda Boulevard Street Rehabilitation	✓		✓					
	Bastanchury Road Improvements		✓	✓					✓

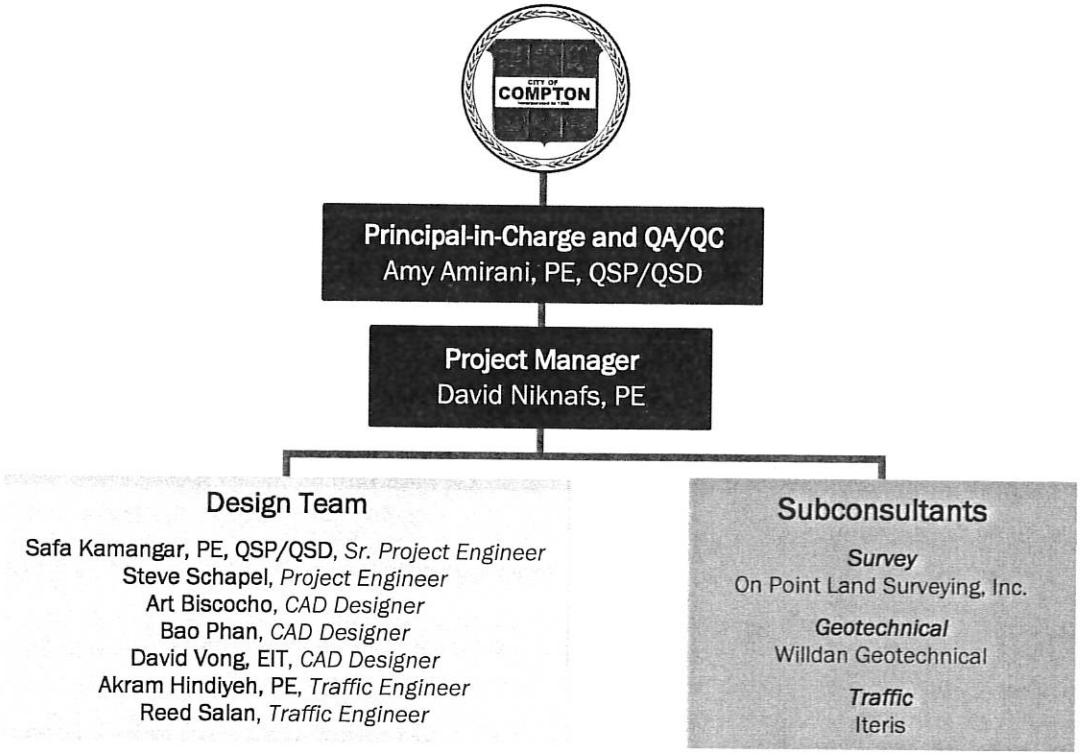
CivilSource Clients

*"CivilSource constantly provided **superior knowledge of design and previous constructability experiences** for this improvement project."*
Kirk Streets, Senior Project Manager
City of Irvine

*"CivilSource demonstrated a **clear and comprehensive understanding** of not only the individual projects but also the elements and actions necessary to **maintain the schedule and budget**."*
Homayoun Behboodi, Project Manager
City of Hermosa Beach

2. PROJECT TEAM

CivilSource, Inc. provides a staff of professionals who are recognized specialists in their areas of expertise. Our staff members have superb technical training and academic backgrounds. CivilSource has adequate personnel available to execute the project as requested by the City, and our staff will be committed for the duration of the project assignment. We have included resumes for our project team at the end of this section.



PROJECT MANAGER – DAVID NIKNAFS, PE

Project Manager, David Niknafs has over 30 years of civil engineering experience, including project management and design, preparation of plans, specifications and estimates for a variety of street improvement projects for several municipalities in Southern California. Mr. Niknafs served as the Senior Engineer for the City of Santa Ana overseeing a staff of 10 designers providing in-house design of the Street Capital Improvement Projects. He has extensive knowledge and experience in designing both on-street and off-street pedestrian and bicycle improvement projects. He understands that creating safe and accessible paths are the most challenging and critical aspects of design. He has managed the design of various pedestrian and bicycle improvement projects for the City of Irvine and City of Santa Ana. He is currently managing the design of a safe route to school project for the City of Costa Mesa.

SUBCONSULTANTS

On Point Land Surveying has an experienced staff that can manage any level of project with services including boundary surveys, ALTA surveys, residential and commercial construction staking, parcel maps, tract maps, & records of survey, GPS surveys, aerial control, and design topographic surveys. It is their goal to consistently exceed client expectations by offering the highest degree of coordination, communication, and client contact while maintaining very competitive pricing. On Point Land Surveying, Inc. is a Certified SBE.

G3SoilWorks, Inc. is a SBE certified corporation practicing in every facet of geotechnical engineering and engineering geologic services. What makes G3SoilWorks unique is their vast experience in design, construction, and post-construction forensic studies as well as expert witness testimony. G3 has many years of grading oversight and roadway development and understands how good pavement performs and why poorly designed and constructed pavement does not. Combine this with their

groundwater, chemistry, and thermodynamic understanding; and moisture vapor and corrosive issues, and they can solve your problems and apply solid recommendations and specifications. Below are some key summaries of why G3SoilWorks is a great fit for this project:

- Their four principals are skilled in numerous aspects of engineering, geologic and seismic hazard evaluations across California and the western states, with over 120 years of combined experience;
- They have performed numerous pavement distress evaluations (concrete and asphalt pavement construction) including rehabilitation, design, and construction, for public works and private development, as well as served in the expert capacity during litigation;

Iteris is the largest transportation engineering firm specializing in the fields of traffic engineering, Intelligent Transportation Systems (ITS) and transportation planning headquartered in California (Santa Ana). Iteris has 250 staff in 24 branch offices located in 16 states: The corporate office is located at 1700 Carnegie Avenue, Suite 100, Santa Ana, CA 92705.

All Iteris staff members supporting this project are experts in the fields of transportation planning, traffic engineering, and pedestrian/bicycle safety improvement projects. Iteris' knowledge of these practice areas enables them to take on the full spectrum of transportation planning and engineering from initial traffic impact studies, transportation modeling, conceptual planning, systems engineering, detailed design and implementation. Iteris combines the talents of transportation engineers, systems engineers, system integrators and transportation planners to bring to the industry a unique combination of talents and experience when it comes to developing and applying traffic engineering solutions that help public agencies reduce traffic congestion, enhance transit use and provide greater access to traveler information.

CIVILSOURCE IS THE BETTER CHOICE FOR THE CITY

A certified DBE/WBE/SBE, CivilSource was established as a California Corporation in 2006 specializing in program management, engineering design and construction management and inspection of capital improvement projects including streets; traffic systems; drainage and flood control; parks and recreational facilities; water and wastewater systems vertical construction; and landscaping and irrigation. Offering a large network of professionals with expertise in a variety of engineering fields, our team includes licensed civil engineers, construction managers, certified inspectors, and experienced public works professionals. Headquartered in Irvine, CA, all team members are extensively experienced working within the structure of municipal government and public construction policy and will seamlessly integrate into the City of Compton.

The services to be provided for the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements Project include:

SPECIFIC SERVICES FOR THE CITY OF COMPTON

- ✓ Topographic Base Map Preparation
- ✓ Utility Investigation & Coordination
- ✓ Utility Base Map Preparation
- ✓ Geotechnical Investigation & Report
- ✓ Preliminary Design
- ✓ PS&E Preparation
- ✓ ATP Grant Processing Support
- ✓ Value Engineering
- ✓ Bid Phase Support
- ✓ Construction Engineering Support
- ✓ Post Construction Support

Although our project experience is vast, CivilSource specializes in roadway design, from preliminary design and location studies to construction documents. Our team's experience includes the development of plans, specifications and cost estimates for a variety of roadway associated improvements including:

- ✓ Street rehabilitation (resurfacing, reconstruction, widening, pedestrian/bicycle improvements)
- ✓ Hardscape improvements (medians, sidewalk, curb and gutter, driveways)
- ✓ Landscape (parkways and medians)
- ✓ Irrigation (parkways and medians)
- ✓ Drainage improvements
- ✓ Traffic/Pedestrian signals
- ✓ Signing and striping improvements

DISTINGUISHING FEATURES, SKILLS AND SERVICES

- The CivilSource team is a group of professionals consisting of principals and senior personnel with vast experience in the delivery of roadway improvement projects. We believe that in the challenging arena of public works improvements there is no substitute for the leadership and experience that comes from the day-to-day involvement of its principals.
- Our experience working with the City of Compton and other agencies is extensive. Our experience with the City includes engineering design services for CDBG 13-02, Pavement Resurfacing Project; and construction management and inspection for Water main Replacement Project. We have gained an in-depth understanding of your specific requirements which is critical to effective operations. We will continue to maintain productive and cooperative working relationships with City of Compton staff, and being aware and proactive with the concerns of the community.
- Our wide variety of project experience has allowed us to establish a design process that enables CivilSource to efficiently meet the City of Compton's objectives. This, in turn, allows us to provide the maximum benefit to the City while working within your project budget. By selecting CivilSource, the City will truly receive the best value.
- The CivilSource team members are experts in the industry, both on a technical level and in working with City governments. We pay close attention to project schedule and costs while balancing the need to ensure conformance with local and industry standards in a cost effective manner.

RESUMES

AMY AMIRANI, PE, QSP/QSD
PRINCIPAL-IN-CHARGE AND QA/QC

EDUCATION: B.S., Civil Engineering
REGISTRATION: Civil Engineer, California #34283

Ms. Amirani has over 35 years of civil engineering experience in both the private and public sectors. She founded CivilSource in 2005 to specialize in engineering design and construction management services for municipalities in Southern California. Her experience, combined with in-depth knowledge of municipal regulations and procedures, has resulted in the successful completion of many capital improvement projects for clients throughout the region. A former president of the American Public Works Association, Ms. Amirani continues to strive for the promotion of public works, as well as providing mentorship to up-and-coming public works professionals.

PROJECT EXPERIENCE

Broadway Improvements, City of Costa Mesa: Project Director for design services for preparation of plans, specifications and estimates for this federally-funded Safe Route to School project to implement traffic calming measures on Broadway to address resident concerns for speeding and to improve pedestrian and bicyclist safety. The project included the design of bulb-outs and medians, roadway rehabilitation, traffic signal, parkway, landscaping and irrigation, and storm drain improvements.

Citywide Street Rehabilitation, City of Villa Park: Project Director for design and field assessment services for the rehabilitation of several streets within the City of Villa Park. Services provided included field inspection and data gathering; inputting all data into MicroPaver assessing, identifying and prioritizing streets for improvements; recommend rehabilitation methods; and developing PS&E for the improvements.

Citywide Street Rehabilitation, City of Hermosa Beach: Project Director for design and field assessment services for the rehabilitation of several streets within the City of Hermosa Beach. Services provide included field inspection and data gathering; assessing, identifying and prioritizing streets for improvements; recommend rehabilitation methods; and developing PS&E for the improvements.

Yorba Linda Boulevard Rehabilitation, City of Yorba Linda: Project Director responsible for QA/QC for the development of PS&E for a 2 mile primary arterial highway rehabilitation project. Services also required coordination with Caltrans. Improvements included asphalt overlay and reconstruction, curbs and gutters, cross gutters and spandrels, sidewalks, driveways and driveway approaches, wheel chair ramp designs meeting ADA requirements striping, traffic signal loops, and traffic control.

Culver Drive and Walnut Avenue Widening and Improvements, City of Irvine: Project Director responsible for QA/QC for the development of plans, specifications and estimates for this $2.5M roadway widening and improvements project. Improvements included widening the roadway for additional lanes; median modifications; traffic signal and interconnect facility modifications; landscaping and irrigation modifications; storm drain improvements; ADA compliant sidewalks, bus stops and access ramps construction; and removal and replacement of damaged concrete curb, gutter and sidewalk.

University Drive Improvements, City of Irvine: Project Director responsible for QA/QC for the development of PS&E for this $1.7M roadway improvements project which required coordination of work with the Irvine Companies, Caltrans and multiple utility agencies; an arboricultural evaluation; and construction engineering support. Improvements included removal and replacement of existing curb and gutter and median, cold milling and construction of ARHM overlay, and installation of tree root barriers.

Stage Road Rehabilitation, City of Buena Park: Project Director responsible for QA/QC for the development of PS&E for this $1.1M roadway rehabilitation project. Improvements included total pavement reconstruction, redesign of existing cross sections as needed to improve drainage and drivability, and repair of damaged sections of the asphalt.

Puente Avenue Rehabilitation, City of Brea: Project Director responsible for QA/QC for the preparation PS&E for the Puente Avenue Rehabilitation project. The project consisted of pavement rehabilitation; replacement of damaged curb, gutter and sidewalk; and construction of ADA compliant curb ramps. Services consist of preliminary engineering, final engineering and bid phase construction support.

DAVID NIKNAFS, PE
PROJECT MANAGER

EDUCATION: M.S., Civil Engineering
REGISTRATION: Civil Engineer, California #42697

Mr. Niknafs possesses more than 30 years of civil engineering experience in the public and private sectors. His experience includes various capital improvement projects and is a seasoned engineer working as a project engineer, senior engineer, and project manager. He managed numerous transportation and development projects including roadways, bridges, drainage, sewer, water, underground utilities, building facilities and related infrastructure improvement projects. His experience includes managing design and construction of various complex engineering projects; providing project direction to the technical team; resource allocation; preparing and administering budgets; preparing and monitoring project schedules; managing production of preliminary and final design; preparing various detailed technical reports; providing oversight and performing quality control; managing and monitoring construction activities; establishing, coordinating and maintaining working relationships with owners, developers, and other agencies. He has successfully managed and completed numerous quality projects on time and within budget.

PROJECT EXPERIENCE

East 19th Street Improvement Project/Safe Route to School, City of Costa Mesa: Project Manager for the design of East 19th Street Improvement Project. The project included removal of reconstruction and resurfacing of pavement, reconstruction of curb, gutter, cross gutter, sidewalk, wheelchair ramp, and driveway. Responsibilities included managing preparation of PS&E, assisting the City with the preparation of PES and E-76 certification for the project, assisting the City with application submittal and processing through Caltrans.

186th Street Improvement Project, City of Torrance: Project Manager for engineering design services for preparation of PS&E for pavement improvements, including curb, gutter, sidewalk, and curb ramp improvements.

Engineering Design Services for Various Street Improvement Projects, City of Lynwood: Provided engineering design services for various street improvements including, curb and gutter, sidewalk, and wheelchair ramp improvements throughout the City.

190th Street and PCH Project, City of Redondo Beach: Provided engineering design services for preparation of PS&E for street, traffic signals, signing and striping improvements.

McFadden Realignment Project, City of Santa Ana: Managed design engineering for preparation of PS&E for street, curb and gutter, sidewalk, storm drain, traffic signals, signing and striping improvements.

4th Street Improvement Project, City of Santa Ana: Managed design engineering for preparation of PS&E for street, curb and gutter, sidewalk, storm drain, traffic signals, signing and striping improvements.

Shorb Street Improvement Project, City of Alhambra: Project Manager for the design of Shorb Street Improvement Project. The project included removal of deteriorated sections of pavement, reconstruction and resurfacing of pavement, reconstruction of curb, gutter, cross gutter, sidewalk, wheelchair ramp, and driveway. The scope of services included field survey and engineering design services. Responsibilities included managing preparation of PS&E.

City of Irvine, Project Manager: Project Manager for the design and construction of capital improvement projects. Managed the work of design team, supervised preparation of grant applications and coordination with Caltrans, prepared bid packages for capital improvement projects, coordinated project bidding and award, reviewed bid documents and prepared city council reports, monitored construction activities, conducted job site meetings, reviewed RFI and contract change orders, coordinated completion of Record Drawings.

City of Santa Ana, Project Manager: Project Manager for the design and construction of Public Works projects including street resurfacing and street reconstruction projects. The responsibilities included managing the design team, preparing grant applications, coordination with Caltrans to secure funding, preparation of environmental documents, right of way documents, and E-76 form (authorization to proceed), overseeing bidding process and monitoring construction activities to ensure conformance with the project requirements.

SAFA KAMANGAR, PE, QSP/QSD

SR. PROJECT ENGINEER

EDUCATION: M.S., Civil Engineering
REGISTRATION: Civil Engineer, California #70118

Mr. Kamangar is a California Registered Civil Engineer and a Project Manager/Resident Engineer at CivilSource, Inc. with 18 years of experience in construction, construction management and engineering in both the private and public sectors. His experience includes the management of over $70 million in construction related activities. His roles included construction management, resident engineering, field inspection, and design engineering. As a design engineer Mr. Kamangar has performed hydraulic studies, detailed design drawings, development of specifications, site work, and field calculations. As a Construction Manager, he has been responsible for construction oversight, schedule management, budget tracking, and contractor negotiations. He has gained considerable knowledge while providing extensive coordination between various engineering disciplines and public agencies.

PROJECT EXPERIENCE

Broadway Street Improvements, City of Costa Mesa: Design Engineer responsible for the development of plans, specifications and estimates for this federally-funded Safe Routes to School project. Improvements included the design of bulb-outs and medians, roadway rehabilitation, traffic signal, parkway, landscaping and irrigation, and storm drain improvements. The project also required utility coordination and potholing to verify locations of existing utilities and preparation of signing and striping plans.

Culver Drive and Walnut Avenue Widening and Improvements, City of Irvine: Design Engineer responsible for the development of plans, specifications and estimates for this $2.5M roadway widening and improvements project. Improvements included widening the roadway for additional lanes; median modifications; traffic signal and interconnect facility modifications; landscaping and irrigation modifications; storm drain improvements; ADA compliant sidewalks, bus stops and access ramps construction; and removal and replacement of damaged concrete curb, gutter and sidewalk.

University Drive Improvements, City of Irvine: Design Engineer responsible for the development of plans, specifications and estimates for this $1.7M roadway improvements project which required coordination of work with the Irvine Companies, Caltrans and multiple utility agencies; an arboricultural evaluation; and construction engineering support. Improvements included removal and replacement of existing curb and gutter and median, cold milling and construction of ARHM overlay, and installation of tree root barriers.

Stage Road Rehabilitation, City of Buena Park: Design Engineer responsible for the development of plans, specifications and estimates for this $1.1M roadway rehabilitation project. Improvements included total pavement reconstruction, redesign of existing cross sections as needed to improve drainage and drivability, and repair of damaged sections of the asphalt.

Yorba Linda Boulevard Rehabilitation, City of Yorba Linda: Design Engineer responsible for the development of plans, specifications and estimates for a 2 mile primary arterial highway rehabilitation project. Services also required coordination with Caltrans. Improvements included asphalt overlay and reconstruction, curbs and gutters, cross gutters and spandrels, sidewalks, driveways and driveway approaches, wheel chair ramp designs meeting ADA requirements striping, traffic signal loops, and traffic control.

North Laguna Alley Rehabilitation, City of Laguna Beach: Design Engineer responsible for the development of plans, specifications and estimates for 13 alleys in North Laguna Beach. Work included grading, removal and replacement of pavement sections, crack sealing, grinding, pavement cold milling, excavation of deteriorated and poorly draining pavement, alley concrete gutter repair and construction, construction of asphalt concrete repair, asphalt concrete overlay, repair of existing curb, gutter and sidewalk, landscape and hardscape improvements, installation of traffic signing and pavement markings, and adjustment of manholes/valves.

Sawtelle Boulevard Rehabilitation, City of Culver City: Design Engineer responsible for development of plans, specifications, and estimates for a $1M street rehabilitation and oversight of construction inspection services. Improvements included total pavement reconstruction, redesign of existing cross-sections as needed to improve drainage and drivability, and repair of damaged sections of the asphalt.

STEVE SCHAPEL
PROJECT ENGINEER

Steve Schapel offers over 25 years of civil engineering experience in southern California. He is an experienced manager, responsible for the successful completion of environmentally and politically sensitive design improvement projects. Steve's experience includes acting as the Project Manager and Engineer responsible for preparing project studies and recommendations, plans and specifications, and support during construction. His broad background has included the preparation of design plans for sewer, storm drain and street improvements and new facility construction.

PROJECT EXPERIENCE

East 19th Street Design Improvements, City of Costa Mesa: Project Manager responsible for the preparation of plans, specifications and estimates for this federally funded SRTS traffic calming project. Scope of services consists of preparation and processing of environmental documents (Preliminary Environmental Studies), civil engineering design plans to include the use of chokers and median improvements, and obtaining federal approval for construction and construction support. The project also includes the design of three (3) monument signs.

Cerritos Avenue (East) Widening Project, City of Cypress: Project Manager providing construction support for the widening of the roadway to full width for additional through capacity thereby relieving congestion at the intersection. The proposed improvements consist of removal and replacement of curb, gutter, sidewalk, curb ramps, and driveways; relocation of traffic signals, power poles, light poles, fire hydrants, and utility boxes; and asphalt paving, traffic striping, retaining wall construction, and other appurtenant site improvements on the east side of Walker Street and along the south side of Cerritos Avenue.

Katella Avenue Improvements, City of Cypress: Project Manager providing construction support services for the Katella Avenue and Meridian Drive Intersection. The project consists of the access ramps and parkway improvements to comply with ADA Standards; construction of raised medians to ensure no interference with proposed crosswalks; installation of crosswalks across Katella Avenue; drainage improvements; and the addition of pedestrian push button and pedestrian indicator head.

Pacific Coast Highway at Palos Verdes Boulevard, City of Redondo Beach: Project Manager responsible for preparing plans, specifications and estimates for the Pacific Coast Highway (PCH) and Palos Verdes Boulevard Intersection Improvements. The proposed improvements consist of the installation of a right turn lane along Palos Verdes Boulevard at the northeast corner with PCH. The existing sidewalk will be reduced, the street widened, and a right turn lane installed. Consideration for bicycle improvements is also necessary.

Baker Street Rehabilitation, City of Costa Mesa: Project Designer responsible for preparation of plans, specifications and estimates for the Baker Street Rehabilitation from Badds Street to Bear Street. The project consisted of approximately 1400 l.f. of pavement rehabilitation; reconstruction of damaged curb and gutter, sidewalk, and driveway; construction of ADA compliant curb ramps; and all appurtenant work.

Central Avenue Street Reconstruction, City of Chino: Project Designer responsible for preparation of plans, specifications and estimates for 1800 l.f. of pavement reconstruction (Highway 71 to 600 l.f. east of Fairfield Rancho Road). Improvements included total pavement reconstruction, redesign of existing cross sections as needed to improve drainage and drivability, and repair of damaged sections of the asphalt.

Temescal Canyon Road Rehabilitation, County of Riverside: Project Designer responsible for preparation of plans, specifications and estimates for 2000 l.f. of pavement rehabilitation. Improvements included grind and asphalt overlay, redesign of existing cross sections as needed to improve drainage and drivability, repair of damaged sections of the asphalt, and reconstruction of concrete improvements (sidewalk, curb and gutter).

Lemon Drive Improvements from Imperial Highway to Eureka Avenue, City of Yorba Linda: Project Designer. The project consisted of pavement rehabilitation; replacement of damaged curb, gutter and sidewalk; and construction of ADA compliant curb ramps. Services consist of preliminary engineering, final engineering and bid phase construction support.

ART BISCOCHO
CAD DESIGNER

EDUCATION: A.A., Mechanical Drawing

Mr. Biscocho has over 20 years of experience preparing construction plans, specifications, and cost estimates.

PROJECT EXPERIENCE

SR2S Hermosa View Improvements, City of Hermosa Beach: Designer for the Hermosa View School Safe Route to School Project. The existing routes to Hermosa View School are characterized with lack of continuous sidewalk, limited sight distance, outdated signage, high commuter traffic, crossing deficiencies, incomplete crosswalks and other features that contribute to hazardous conditions for students walking or biking to school. The improvements will include installation of continuous sidewalk and ADA curb access ramps; installation of crosswalks and pedestrian countdown signals; upgrading of school zone signs; and the addition of stand back lines with barriers in front of the school.

Yorba Linda Boulevard Rehabilitation, City of Yorba Linda: Designer assisting with the development of plans, specifications and estimates for a 2 mile primary arterial highway rehabilitation project. Services also required coordination with Caltrans. Improvements included asphalt overlay and reconstruction, curbs and gutters, cross gutters and spandrels, sidewalks, driveways and driveway approaches, wheel chair ramp designs meeting ADA requirements striping, traffic signal loops, and traffic control.

Cerritos Avenue Widening, City of Cypress: Designer for the Cerritos Avenue Widening Project. The project will widen the street to relieve an existing bottleneck. CivilSource was able to design the widening improvements without any right-of-way acquisition. Improvements include street widening to provide additional through capacity; removal and replacement of curb, gutter, sidewalk, curb ramps, and driveways; relocation of traffic signals, power poles, light poles, fire hydrants, and utility boxes; and asphalt paving, traffic striping, retaining wall construction, and other appurtenant site improvements.

Pacific Coast Highway at Palos Verdes Boulevard Intersection Improvements, City of Redondo Beach: Currently preparing plans, specifications and estimates for the Pacific Coast Highway (PCH) and Palos Verdes Boulevard Intersection Improvements. The proposed improvements consist of the installation of a right turn lane along Palos Verdes Boulevard at the northeast corner with PCH. The existing sidewalk will be reduced, the street widened, and a right turn lane installed.

Walkway Accessibility Improvements at Two Parks, City of Moreno Valley: Designer for the design of sidewalk improvements. The scope of work generally consists of removal and replacement of concrete walkway to conform to Americans with Disabilities Act (ADA)/California Code of Regulations Title 24 – Accessibility relations, including crossings, irrigation modifications, replacement plant material, and drainage improvements. Both park projects are receiving CDBG-R federal funds.

Annual Slurry Seal and Street Rehabilitation (Zone 4 & 5), City of La Habra Heights: CAD Designer assisting with the design of the City's annual maintenance and slurry seal program, drainage improvements, and slope repair and stabilization.

BAO PHAN
CAD DESIGNER

EDUCATION: Architectural Drafting Certification – Phoenix Institute of Technology
AutoCAD Certified – MTI College
Nuclear Gauge Certified, Coast Technical Services

Mr. Phan has 20 years of experience providing construction services and drafting support. His experience includes projects from conceptual design to production plans. He produces site maps, cross sections, groundwater contour maps, isoconcentration data maps, grading and drainage studies, and 3D models for presentation. Mr. Phan keeps up-to-date with the latest AutoCAD software, Civil 3D, and GIS software. His computer skills also include MacDraft, Microsoft PowerPoint, Word, Excel, Photo Editor, Adobe Acrobat, Imaging, Access, Solidworks, CorelDRAW 10, GSView, ArcPAD 7, Adobe Illustrator, and Paint.net.

In addition to his drafting skills, Mr. Phan has experience conducting fieldwork providing construction quality assurance (CQA) for geosynthetic and clay liner construction, quarterly groundwater sampling, soil sampling, gas sampling, and compaction testing.

PROJECT EXPERIENCE

Engineering Design Services for CDBG 13-02, Pavement Resurfacing Project, Compton: CAD Designer for a local roads rehabilitation project in the city of Compton. Assisted with the development of base maps, utility research and coordination, preparation of final plans, specifications, and estimates.

186th Street Improvement Project, City of Torrance: CAD Designer for preparation of PS&E for pavement improvements, curb, gutter, sidewalk, and curb ramp improvements.

Palisades Park Drainage Improvements, Santa Monica: CAD Designer assisting Project Manager with site grading and storm drain improvement

ADA Compliance at Copper Hill Drive/Decord Drive, Santa Clarita: CAD Designer for the regarding of the handicap curb ramps to be ADA compliant.

Street Improvement and Site Grading, Fire Station #20, Irvine Co.: CAD Designer assisting with the preparation of construction plans, specifications, and cost estimates for the project. The project included the replacement of VCP gravity sewer with hydraulic deficiencies and structural defects. The sewer was replaced with a VCP gravity pipe. Street improvements included pavement rehabilitation (grind and overlay), traffic striping plan, and adjustment of utilities to new pavement grade. Construction bid documents were prepared including bid proposal, bid form, contract requirements, general provisions, and technical specifications for sewer and street improvements.

Fuscoe Engineering, Inc., Irvine, CA: As a Designer performed grading and drainage studies for residential and commercial land development projects and master planned communities on the following projects: Trabuco Ranch – Rancho Santa Margarita, California; San Dimas Hillside Grading – San Dimas, California; San Clemente Estates – San Clemente, California. Prepared and assisted with improvement plans for residential and commercial land development projects on the following projects: Huntington Beach Senior Center – Huntington Beach, California; Bluebird landslide – Laguna, California; Colony Park – Anaheim, California; City Place – Santa Ana, California.

SAIC, Brea, California: As Sr. CAD Operator, produced site maps, sections, groundwater contour maps, and isoconcentration data maps for contamination analysis. Provided boring logs using LogPlot 2003 and GINT programs. Assisted with fieldwork to collect soil and water samples.

Geosyntec Consultants, Huntington Beach, CA: As CAD Technician, provided construction services and drafting support for landfill and geotechnical design using AutoCAD, Softdesk, and GIS. Created boring logs using GINT. Fieldwork consisted of providing construction quality assurance (CQA) for geosynthetic and clay liner construction, quarterly groundwater sampling, soil sampling, gas sampling, and compaction testing.

DAVID VONG, EIT
CAD DESIGNER

EDUCATION: M.S. in Civil Engineering
REGISTRATION: Engineer-in-Training, Certificate Number 143483

Mr. Vong has a demonstrated ability to manage multiple projects from planning to construction close-out. He has a wealth of knowledge of the overall operational experience working with municipal agencies. His qualifications include the ability to review and prepare plans, specifications and estimates; prepare Requests for Proposals; assist in consultant selections; administer capital improvement projects; assist with CIP budget preparation; prepare council agenda items; provide engineering counter assistance; process permits; interface with the public; negotiate change orders; review and process progress payments; and establish, maintain and foster positive working relationships with agency staff.

PROJECT EXPERIENCE

2012-2013 CDBG 20th Street Storm Drain Improvements (Placentia Avenue to Wallace Avenue), City of Costa Mesa: The project consisted of the installation of reinforced concrete pipes along 20th Street and other incidental work needed to redirect runoff to the Placentia Avenue Storm Drain system and reduce the flooding potential to properties along Wallace Avenue. Responsibilities included selecting and ordering materials for installation including the High Density Polyethylene (HDPE) pipe, measuring quantities of materials required, and construction oversight of catch basin construction and pipe installation.

East Side Slurry Seal Project, City of Costa Mesa: Improvements included placing approximately 2,060 extra-long tons of slurry seal, covering 2.678 million square feet of roadway. Incidental work consisted of removal and replacement of traffic markings, placement of markers locating fire hydrants, and traffic control. In charge of field surveys to determine location and quantities of work; preparing the engineer's estimate and technical specifications; inspections during construction for quality assurance and quality control; and, public outreach including distribution of resident notices and resolving resident concerns.

Parkway Concrete Repair and New Sidewalk Construction Project (East Side), City of Costa Mesa: The project consisted of localized reconstruction of damaged curb and gutter, cross-gutter and spandrels; driveway/driveway approach; and sidewalk. The new sidewalk construction was performed at areas within the project limits to fill locations where the sidewalks were missing. Mr. Vong was responsible for field surveys to determine location and quantities of work; preparing the engineer's estimate and technical specifications; inspections during construction for quality assurance and quality control; and, public outreach including distribution of resident notices and resolving resident concerns.

2012-2013 Street Rehabilitation and Parkway Project (Area #29), City of Costa Mesa: The improvements included the localized reconstruction of failed sections of the existing roadway; milling the existing pavement and placing an asphalt concrete overlay; traffic striping and loop replacement; and traffic control. Along with reconstruction of damaged curb and gutter, cross-gutter and spandrels; driveway/driveway approach; and sidewalk. Mr. Vong was responsible for field surveys to determine location and quantities of work; preparing the engineer's estimate and technical specifications; inspections of parkway and pavement work during construction for quality assurance and quality control; and, public outreach including distribution of resident notices and resolving resident concerns.

Gisler Avenue Parking Design Project, City of Costa Mesa: CAD Designer for parking design for Mesa Water District facility on Gisler Avenue. Project included providing field survey, preparation of conceptual parking layouts; preparation of preliminary and final design; coordination with utility companies and the City; project included reconstruction of curb, gutter, sidewalk, driveways, and ramps; reconstruction of landscaping and irrigation.

AKRAM HINDIYEH, P.E.

TRAFFIC ENGINEER

EDUCATION: M.S. in Civil Engineering
REGISTRATION: Civil Engineer, California #28510
Traffic Engineer, California #1452

Mr. Hindiyeh possesses more than 35 years of civil engineering experience in the public and private sectors. His responsibilities encompass serving as the City Engineer for the City of Villa Park; serving as the City Engineer/Traffic Engineer for the City of Laguna Woods; and administering the design and construction of several major public works projects for the City of San Clemente and administering and managing their Traffic and Transportation Program. Mr. Hindiyeh's experience includes developing and implementing a Pavement Management System Program, a Sidewalk Inventory Program, a Street Improvement Program, a Major Street Maintenance Program, and Traffic Signals Operation and Maintenance Program.

PROJECT EXPERIENCE

Traffic Engineer, City of Laguna Woods

Traffic Engineer Responsibilities

- Conduct/ review traffic engineering, traffic analysis and transportation planning studies or project specific traffic related issue analysis.
- Provide comprehensive analyses of existing and projected traffic conditions, intersection analysis and design, speed humps, parking lot design, and traffic/transportation data collection services.
- Provide electronic traffic control device studies and design (i.e., signs, signals, pavement markings, school zone flashers and curve warning flashers).
- Perform pedestrian studies.

Projects include:

- El Toro/Aliso Creek Widening Phase II (federally funded, LAPM compliance)
- El Toro Road Pavement Rehabilitation (SLPP funded)
- City Hall Civic Center and Library Improvements (CDBG funded)
- City Hall Storm Drain Improvements (CDBG funded)
- City Hall Green Roof Project (Prop 84 grant funded)
- Citywide Traffic Signal Maintenance

City Engineer, City of Villa Park

Capital Improvement Projects

- Perform the functions of the Public Works Director.
- Implement and manage all Capital Improvement Projects including the design and contract bidding process, survey, inspection and project management.
- Process all plans and specifications and bid documents for approval.
- Review and approve all grading plans; inspect and approve work.
- Review and approve plans for improvements and repairs to right-of-way. Issues notice of completion and acceptance of work.
- Obtain required permits.
- Recommend pavement rehabilitation treatments.
- Implement and manage the City's Sewer Master Plan.
- Recommend, manage and supervise maintenance and repairs of the City's storm drain system.
- Ensure the planting of trees and installation of root control devices and in accordance with the master list of trees and ensure tree protection during construction activities.

Projects include:

- Pavement Management Program Services
- Sewer Master Planning Services
- SLPP Citywide Street Rehabilitation
- FY 12/13 Citywide Sewer Improvements

REED SALAN
TRAFFIC ENGINEER

EDUCATION: B.S. in Civil Engineering
REGISTRATION: Civil Engineer, California #51891

Mr. Salan has six years of experience working with local agencies, including with the City of Santa Ana in traffic operations and engineering, transportation planning, and transportation design. He is also familiar with various software including structural frame loading using RAM, SAP 2000, STAAD. Pro V8i; Rail Track; Primavera; and Traffic Modeling utilizing Synchro. He is also proficient in the use of AutoCAD and Microstation as well as development of subroutines within each program to enhance the efficiency and expedite delivery of high quality design products. His experience includes controlling traffic systems, transportation grant applications and management, design roadway improvements to maximize traffic flow, acting as the direct source and contact person for all new traffic concerns requests, and creating standardization.

PROJECT EXPERIENCE

City of Santa Ana/Traffic Engineering Technician

Responsible for aiding in the planning and design of transportation-related projects, including preliminary engineering studies, development of plans, specifications and estimate (PS&E), and construction administration. Design elements included roadway alignments, profile grades, geometrics, drainage facilities, construction details, construction staging, utility plans and any other component of preliminary engineering studies or PS&E. Duties and responsibilities included participating in traffic engineering field investigations for existing conditions and proposed projects; conducting various engineering and warrant studies; researching project records, files, and plans; preparing/modifying plans using Microstation or manual drafting; prepare presentation materials (maps, charts, spreadsheets, etc.); placing and retrieving radar trailers; conducting/evaluating speed studies, pedestrian and vehicular counts; and issuing business/resident notices. His project experience includes:

Signal Improvements at Fairview and Edna
Mr. Salan assisted with the planning and design of traffic signal improvements at the Fairview and Edna T-intersection. Having received the initial request for traffic concerns at this intersection, Mr. Salan scheduled and analyzed eight hour vehicle volume, 4 hour vehicle volume, peak hour, pedestrian volume, school crossing, coordinated signal system, collision history, and roadway network. He was responsible for the preliminary and final design and funding designations for the completion and construction of the signal improvements.

Stop Sign Specification
Working with the City Engineer, Mr. Salan created a template and standard specifications for future locations that were to be studied and approved for stop sign legend and post installation. This was completed per the latest CA-MUTCD and conforming with the latest Caltrans standard plans. While completing this work, Mr. Salan was able to standardize and record all speed survey results, which categorizes recommended actions and affords the City a clean and concise record of what locations have been studied and which locations still require studies.

Raised Pavement Markers
Mr. Salan worked with the neighborhood residents to design improvements that would enhance the maneuverability around sharp turns at the bends of the residential streets. After investigating the distances of roadway segments and neighborhood association limits, Mr. Salan designed and carried out the various striping/RPM'S as part of the residential street rehabilitation project.

3. PROJECT UNDERSTANDING & APPROACH

CivilSource's understanding of the project is based on review of RFP and a site reconnaissance. This groundwork provides a comprehensive understanding of the key issues anticipated for this project and will enable the CivilSource team to promptly and efficiently execute the design for Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements Project.

We understand that the Project will consist of the pavement rehabilitation on Wilmington Avenue from El Segundo Boulevard to Rosecrans Avenue. In addition, the project will include pedestrian and bicycle improvements at the following locations:

- El Segundo Boulevard at Wilmington Avenue
  - ❖ Installation of wider and colored crosswalks, high visibility crosswalk striping, countdown pedestrian signals and enhanced pedestrian lighting
- 131st Street at Wilmington Avenue
  - ❖ Installation of wider crosswalks, high visibility crosswalk striping, countdown pedestrian signals and enhanced pedestrian lighting.
- 133rd Street at Wilmington Avenue
  - ❖ Installation of wider sidewalks, pedestrian actuated traffic warning system, Rectangular Rapid Fire Beacon (RRFB) LED warning light and sign, and embedded LED flashing beacons
- Wilmington Avenue between 137th and 139th Streets
  - ❖ Installation of sidewalks along the westerly side of Wilmington Avenue
- Stockwell Street at Wilmington Avenue
  - ❖ Installation of wider crosswalks, high visibility crosswalk striping, countdown pedestrian signals and enhanced pedestrian lighting
- 139th Street at Wilmington Avenue
  - ❖ Installation of wider crosswalks, high visibility crosswalk striping, countdown pedestrian signals and enhanced pedestrian lighting
- Wilmington Avenue between El Segundo Boulevard and Rosecrans Avenue
  - ❖ Installation of Class II bike lanes with advisory and signage and installation of four (4) solar powered speed feedback signs for speed control and attainment
- Rosecrans Avenue between Wilmington Avenue and the Compton Creek
  - ❖ Installation of Class II bike lanes with wayfinding signage to connect the Wilmington Avenue Class II bike lane(s) and El Segundo Boulevard Class II bike lanes with the Class I Compton Creek Bike Path

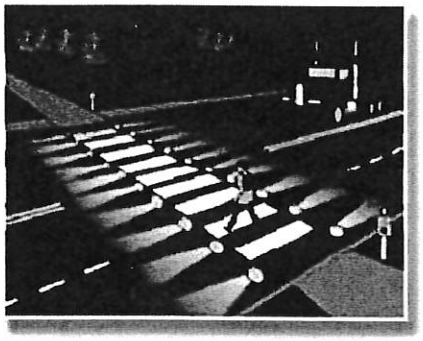
SPECIFIC CONSIDERATIONS AND KEY ISSUES

Key issues to be addressed by the development of this project will include no less than the following:

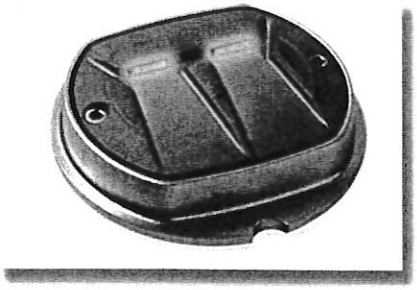
- **Topographic Survey and Base Map.** Our first step will include conducting a topographic survey of the project area. We will make sure our Base Maps show the right of way, curb and gutter, sidewalk, street centerline, access ramps, driveways, sign, street lights, water meters, manholes, valves, etc. In addition we will include all information obtained from the utility companies within the roadway and parkways. The base maps will then be confirmed during our field walks. The main objective is to have all existing improvements accurately depicted in our base maps so that all constraints are considered during our design of the projects.

- **Existing Improvements.** Our design team has conducted an initial observation of the project area (see Exhibits 1 and 2 on pages 23 and 24) to document existing pavement and crosswalks conditions and to identify areas that need improvements. The exiting pavement on Wilmington Avenue from El Segundo Boulevard to Rosecrans Avenue is in poor condition. We will perform a complete topographic survey and field condition assessment prior to design of the project. We will consult with the City regarding geotechnical investigation for the project. We have provided geotechnical investigation as an option in our proposal. Complete plans with details will be prepared which will identify the exact removal and reconstruction areas and all proposed improvements including pavement reconstruction/overlay, installation Class II bike lanes, installation of wider crosswalks, colored crosswalks, highly visible striping, countdown pedestrian signals, embedded LED flashing beacons, Rectangular Rapid Fire Beacon (RRFB) LED warning light and sign, solar powered speed feedback signs, and enhanced pedestrian lighting.

- **Utility/Agency Coordination.** Street improvements can often result in impacts to existing utilities. All utilities must be shown on the plans. Thorough utility research will be conducted to ensure an accurate and comprehensive plan disclosure and to coordinate follow-up investigative activities with those utility companies whose facilities are being impacted. These activities could include a request for the utility companies to pothole their facilities when necessary throughout the design phase of the project. Given that utility coordination is a very important aspect of any project, the CivilSource team will apply a disciplined approach for managing joint activities with the utility agencies. If any utility relocation is deemed necessary, or if valves and manholes need to be raised to new grades, they will be identified at early stages of the design, and coordination with the responsible agency will be made.



- **Stakeholder Coordination.** Coordination with stakeholders will be critical to the project's success. We will determine early on what agencies and stakeholders will need to be included and meet with each one as required. Coordination with each city department, local schools, notification of the traveling public and adjacent property owners, communication with refuse collectors, the Postal Service, and emergency personnel, and coordination with all wet and dry utility providers.



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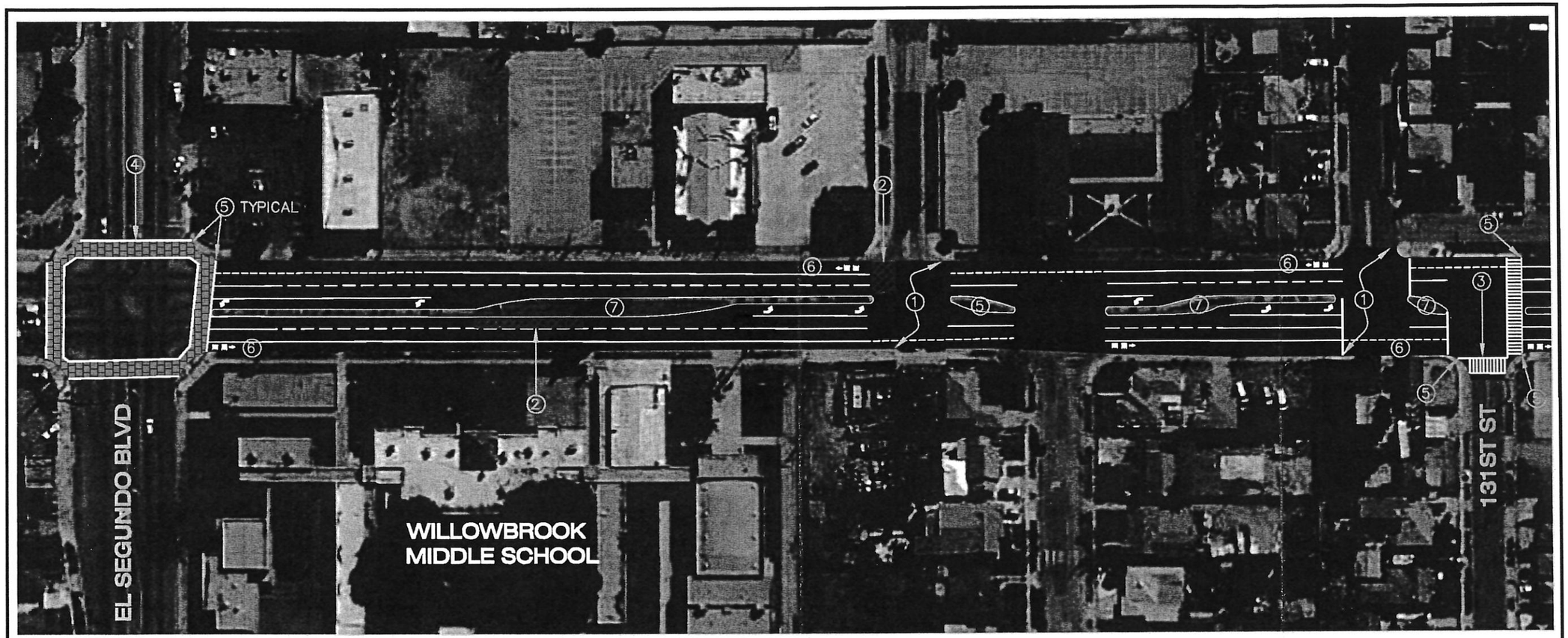


CONCEPTUAL PLAN – PROPOSED IMPROVEMENTS

① COLD MILL AND OVERLAY (ARHM)

② REMOVE AND RECONSTRUCT PAVEMENT*

③ INSTALL CROSSWALK STRIPING

④ INSTALL HIGH VISABILITY COLORED CROSSWALK

⑤ INSTALL COUNTDOWN PEDESTRIAN SIGNALS

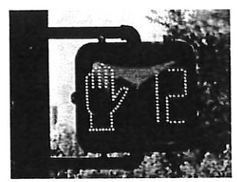
⑥ INSTALL CLASS II BIKE LANES**

⑦ PROTECT MEDIAN IN PLACE

*Exact location for pavement removal and reconstruction areas will be determined subsequent to field investigation/geotechnical investigation.

**The exact location of the bike lanes will be determined subsequent to field measurement and verification of on–street parking.

This is a conceptual plan. Subsequent to conducting a comprehensive topographic survey and a comprehensive field investigation, a complete set of construction plans will be prepared. The plans will include appropriate notes and details for roadway reconstruction/overlay, installation of bike lanes, wider crosswalks, highly visible crosswalks, countdown pedestrian signals, enhanced pedestrian lighting, RRFB, and embedded LED flashing beacons as required.



COUNTDOWN
PEDESTRIAN SIGNAL

CITY OF COMPTON
WILMINGTON AVE SAFE STREETS PEDESTRIAN/BICYCLE IMPROVEMENTS

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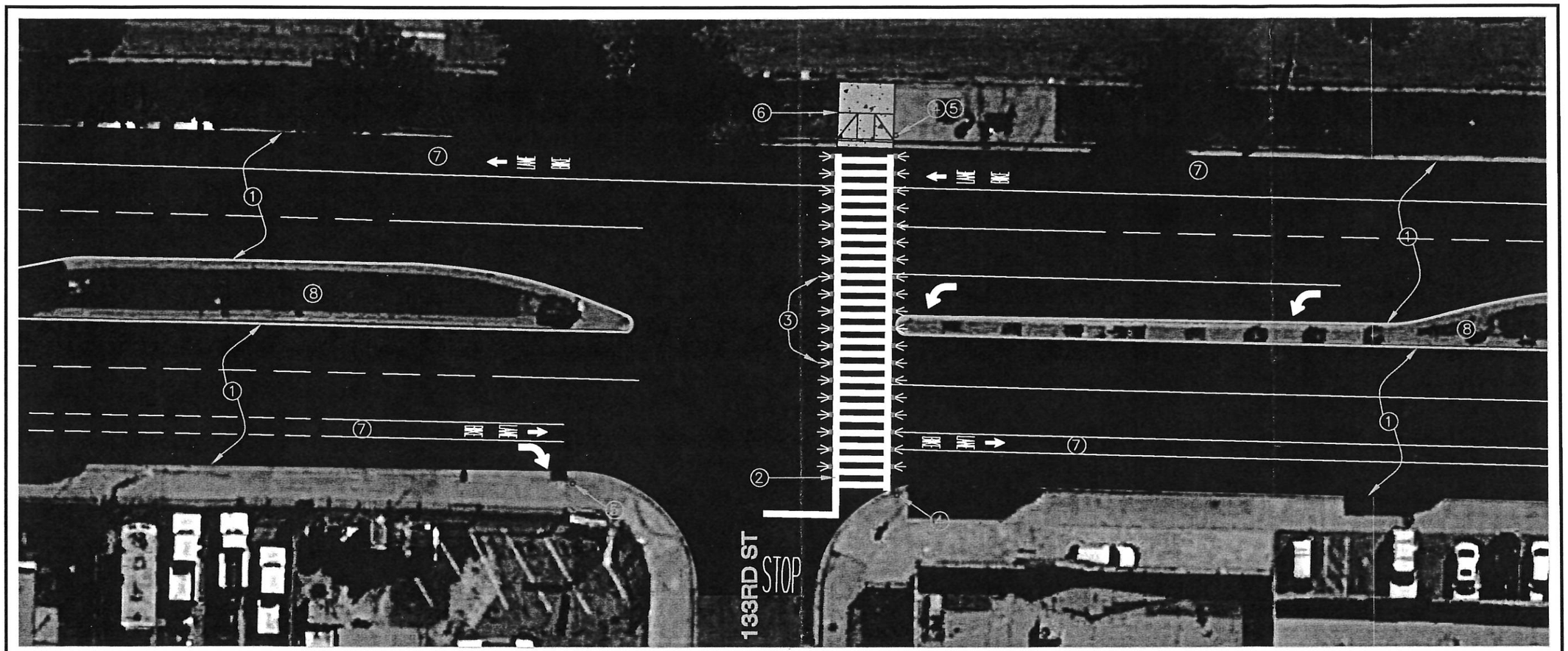
EXHIBIT 1
CONCEPTUAL PLAN
PROPOSED IMPROVEMENTS



CONCEPTUAL PLAN – PROPOSED IMPROVEMENTS

① COLD MILL AND OVERLAY (ARHM)

② INSTALL CROSSWALK STRIPING

③ INSTALL EMBEDDED LED FLASHING BEACONS

④ INSTALL PEDESTRIAN ACTUATED TRAFFIC WARNING SYSTEM

⑤ INSTALL RECTANGULAR RAPID FIRE BEACON (RRFB) WARNING LED AND SIGN

⑥ CONSTRUCT CURB RAMP

⑦ INSTALL CLASS II BIKE LANES**

⑧ PROTECT MEDIAN IN PLACE

**The exact location of the bike lanes will be determined subsequent to field measurements and verification of on-street parking.

This is a conceptual plan. Subsequent to conducting a comprehensive topographic survey and a comprehensive field investigation, a complete set of construction plans will be prepared. The plans will include appropriate notes and details for roadway reconstruction/overlay, installation of bike lanes, wider crosswalks, highly visible crosswalks, countdown pedestrian signals, enhanced pedestrian lighting, RRFB, and embedded LED flashing beacons as required.

RRFB

CITY OF COMPTON
WILMINGTON AVE SAFE STREETS PEDESTRIAN/BICYCLE IMPROVEMENTS

CivilSource
9890 IRVINE CENTER DRIVE
IRVINE, CA 92618
TEL. (949) 585-0477
FAX. (949) 585-0433
WWW.CIVIL-SOURCE.COM

EXHIBIT 2
CONCEPTUAL PLAN
WILMINGTON AVE/133RD ST INTERSECTION

#18.

- **Public Impact.** The general public needs to be a proactive element of the project. It is incumbent upon the design team to work with the City to inform the public of the project, of the proposed improvements, the schedule, the phasing and anticipated detour plans. We will consider neighborhood needs and constraints in developing plans.
- **Meetings.** Meetings between the successful Consultant and City staff will be crucial during all phases of the project. An initial kickoff meeting will be held in order to establish communications, set protocols, and build the procedural framework for the project. Additional meetings will be conducted between the City staff, the engineering design team, the Contractor, utility companies, and other essential parties at interest, to the resolution of design and construction issues as needed. Two meetings with staff will be provided.

SCOPE OF WORK

The proposed scope of work includes, but is not limited to:

PHASE I – PRELIMINARY DESIGN

A. Kick-Off Meeting

At the start of the project CivilSource will have a kick-off meeting with City Staff and the project team to review the project objectives, schedule, the scope and approach. At this meeting, CivilSource will establish a point of contact for the project and request all available information related to the project. In addition, the CivilSource Project Manager will coordinate all aspects of the project and manage the schedule and costs to ensure the project's completion to the satisfaction of the City.

B. Data Collection and Project Documentation

CivilSource will research all information pertinent to the project such as the latest street improvement plans, utility plans and drainage plans in order to include this information in the project plans. We will make sure our Base Maps show the right of way and all the existing improvements within the project area. The base maps will then be confirmed during our field walks. The main objective is to have all existing improvements accurately depicted in our base maps so that all constraints are considered during our design of the project.

C. Topographic Survey

The survey tasks include, but are not limited to, the following:

- Our subconsultant, On Point Land Surveying will perform a topographic survey and prepare base maps at a minimum scale of 1"=20'. The base maps shall identify all existing improvements, curb, medians, curb ramps, fire hydrants, utility facilities, manholes, signs, traffic signals, streetlights, and other appurtenant improvements within the project area.
- The base maps shall identify all existing improvements and show the street center line, top of curb, and flow line elevations.

D. Utility Investigation & Coordination

We will research and establish record location of all utilities and utility easements, as necessary. Utility coordination on the project will be ongoing and will generally consist of the following sub tasks:

- This task includes obtaining existing dry and wet utility plans/records within the project limits. It also includes the coordination of the adjustment of any utilities per city or other agency standards. Once the plans are completed we will send them to all utility companies affected by the project.
- Coordinate all utilities and obtain approval in writing from affected utility companies regarding conflicts, relocations and improvements.
- Plans will be submitted for comment to each utility agency concurrent with all CivilSource submittals to the City for plan check. Copies of all correspondence to and from the utility companies shall be submitted to the City.
- Access the Underground Service Alert's website and compile a list of member agencies that own facilities within the project limits.

- Augment and/or refine the above list based on available information at the City Records Department and from field investigation.
- Notify each utility purveyor, in writing, of the City's proposed plans and schedule and request copies of record drawings or atlas maps of existing and proposed facilities within the project boundary.
- Utilities shown on the record drawings will be surface verified, and added to the base map, along with the most recent easement lines shown for each facility.
- Identify interfaces between existing facilities and future project construction.
- Consult with the service planners and others as necessary within each utility company to resolve any conflicts.
- Keep City staff informed on all discussions with utility companies via written meeting minutes or records of telephone conversation.
- Prepare a Utility Notification Log to track utility company contacts and responses including contact information and dates of all outgoing and incoming correspondence.

E. Geotechnical Investigation and Report (if necessary/included as Optional Task)

We understand the City recently completed a Pavement Management Study for Wilmington Avenue between El Segundo Boulevard and Rosecrans Avenue. The pavement condition reveals a condition index range of 7 to 55 for this segment of the street. We will review the recently completed Pavement Management Study report and will conduct a comprehensive field review and if determined necessary, we will provide geotechnical investigation to identify the exact locations of distressed pavement areas, and make recommendations as to extent and type of rehabilitation to be employed.

Our subconsultant, Willdan Geotechnical, will perform a geotechnical reconnaissance of the site and advancing up to 8 soil borings at strategic locations to observe the existing pavement thickness and soil conditions beneath the project site and to facilitate collection of sub-grade soil samples for lab testing. The results of our field and laboratory testing will be provided in a report including the following:

- Thickness of asphalt
- Site soil characterization
- R-Value of subgrade soils
- Pavement section recommendations
- Alternatives and prudent recommendations for rehabilitating the pavements, which may consist of a combination of remove and replace and grind and overlay with an ARHM.

F. Preliminary Plans

Utilizing the above data and base plans, CivilSource will prepare a preliminary plans at a scale of 1"= 20'. These designs will be supplemented by our field review of the project area to visually confirm and assess the project condition and identify specific improvements to be included in the project. These plans will then be used to evaluate the cost of the project, and ascertain the impact on the adjacent property owners other private improvements.

G. Meetings/Schedules

CivilSource will be available to attend team meetings, City Council meetings and any other meetings with staff, agencies, and the public as required. Utilizing Microsoft software Projects, CivilSource will maintain updated project design schedules for use by the City staff.

PHASE II – FINAL DESIGN – PS&E

This task involves the completion of construction documents in the form of final plans, specifications and estimates (PS&E).

A. Final Improvement Plans

Upon City approval of the preliminary design, CivilSource will proceed with the preparation of Final Design Plans, specifications and cost estimate for submittal to the City at the 80% and 100% completion levels process. All plans/reports/ documents will be submitted in the format acceptable to the City.

The plans will be prepared to conform to the general requirements of the City with consideration for the needs of the contractor's construction operations. CivilSource will deliver completed and approved construction drawings on or ahead of approved schedules. All designs shall be prepared and submitted in a manner that ensures a complete design approved by the City. Where applicable, the construction drawings will conform to the appropriate applicable standards such as City, State and Federal laws, City Design Manuals, City Standard Plans, all Caltrans manuals, policies, State Standard Plans and Specifications (for traffic signal and striping work and all work within State R/W), APWA Standard Specifications for Public Works Construction "Greenbook," Manual of Traffic Uniform Control Devices, and as revised and amended.

Construction documents will comply with standard drawings and specifications of the City, Caltrans, APWA, and other agencies as applicable.

CivilSource will submit three (3) sets of the final construction documents to the City.

B. Specifications

CivilSource will prepare complete project specifications, including Special Provisions that specifies traffic control, construction notification and posting information per City's format and direction. Copies of the Standard General Provisions and Construction Contract Agreement shall be supplied by the City to incorporate into the construction documents.

C. Quantity and Cost Estimates

CivilSource will provide complete construction quantity and cost estimates for the project. Estimates will be provided at 80% and 100% completion submittals, and a final estimate with the final submittal. Excel files will be submitted with each submittal. Quantities will match the Bid Proposal final quantities.

D. State/Federal Funding Requirements

We understand that the City applied for the Active Transportation Program (ATP) funding for this project. The City was awarded an ATP grant in July 2014 and received the official notice in September 2014 of its award.

CivilSource can assist the City establishes a systematic approach to ensuring compliance with state and federal regulations through detailed review of the administering agency's policies and procedures, communication with the administering agency's representative, ensuring thorough and accurate completion of submittals, and fostering relationships with the administering agency to expedite review and approval of invoices, reports and submittals to secure project funding.

We are experienced in:

- Preparing Preliminary Environmental Study (PES) forms for federal-aid projects and coordinating environmental (NEPA) approval process with Caltrans and FHWA.
- Preparing Preliminary Engineering, Right-of-Way and Construction Authorization to Proceed and coordinating the approval process with Caltrans and/or the Authority.
- Preparing contract award packages, final reports and reimbursement requests for federal-aid projects
- Preparing construction cost estimates, detail estimates, and finance letters.
- Reviewing completed Plans, Specifications and Estimates package for compliance with project funding federal-aid guidelines.
- Participating in project audits by the Authority, Caltrans or the Federal Highway Administration.
- Providing contract administration for federal-aid projects including review of Contractor's DBE submittals, review certified payrolls and interview contractor employees for verification.

CivilSource stays abreast of changing state and federal regulations, and its staff routinely consults with and receives direct training from the State, HUD's Labor Compliance Unit, or other private educational agencies.

PHASE III – BIDDING/CONSTRUCTION SERVICES

A. Bidding Services

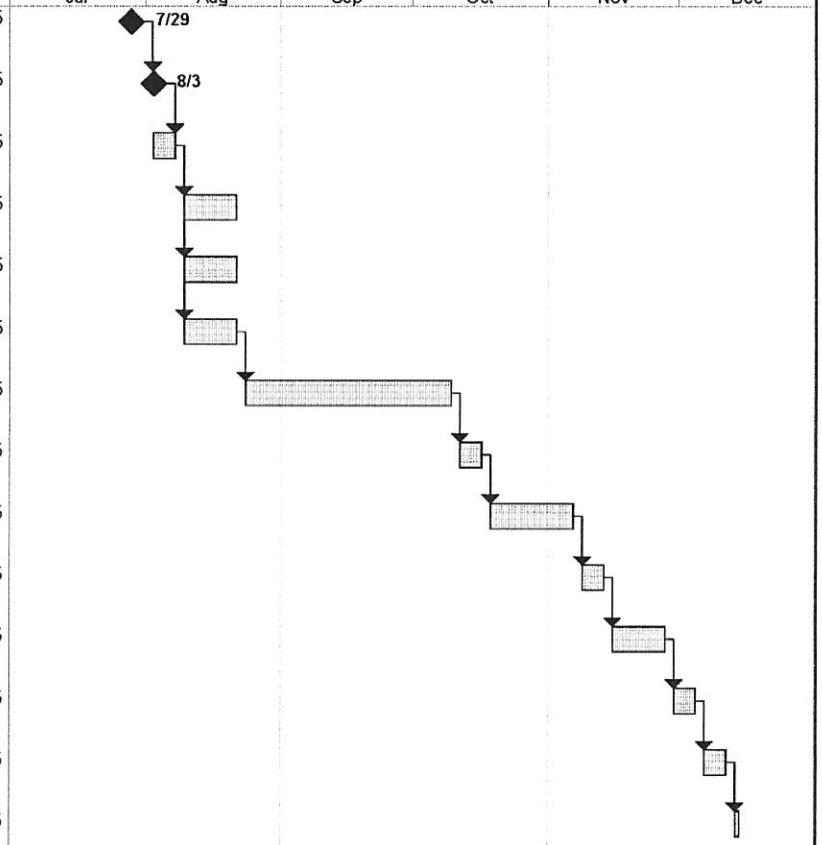
Once the plans are approved and advertised, CivilSource will assist City staff with bid/award activities, including responding to bidder questions, preparing addendums and evaluating construction bids. CivilSource will be available to attend pre-bid meetings and other meetings with staff, agencies, and the public as required. CivilSource will also be available to clarify design-related issues at all times

B. Construction Services

CivilSource will be available to attend pre-construction meetings and other meetings with staff, agencies, and the public as required. CivilSource will provide responses to Requests for Information and prepare any necessary change orders. CivilSource will attend any required site meetings and we will incorporate all redline comments prepared by the Contractor and project inspector on the signed design plans and provide the as-built record drawings to the City.

CITY OF COMPTON WILMINGTON AVENUE SAFE STREETS PEDESTRIAN/BICYCLE IMPROVEMENTS DESIGN SCHEDULE

ID	Task Name	Duration	Start	Finish
1	Notice to Proceed	0 days	Wed 7/29/15	Wed 7/29/15
2	Kick Off Meeting	0 days	Mon 8/3/15	Mon 8/3/15
3	Data Collection and Research	1 wk	Mon 8/3/15	Fri 8/7/15
4	Utility Coordination	2 wks	Mon 8/10/15	Fri 8/21/15
5	Topographic Survey	2 wks	Mon 8/10/15	Fri 8/21/15
6	Geotechnical Investigation & Report	2 wks	Mon 8/10/15	Fri 8/21/15
7	Preliminary Plan	7 wks	Mon 8/24/15	Fri 10/9/15
8	City Review of Preliminary Plans	1 wk	Mon 10/12/15	Fri 10/16/15
9	Prepare 80% PS&E	3 wks	Mon 10/19/15	Fri 11/6/15
10	City Review of 80% PS&E	1 wk	Mon 11/9/15	Fri 11/13/15
11	Prepare 100% PS&E	2 wks	Mon 11/16/15	Fri 11/27/15
12	City Review of 100% PS&E	1 wk	Mon 11/30/15	Fri 12/4/15
13	Preapre Final PS&E	1 wk	Mon 12/7/15	Fri 12/11/15
14	Submit Final PS&E	1 day	Mon 12/14/15	Mon 12/14/15



Date: June 30, 2015

Task
Split
Progress
Milestone
Summary
Project Summary
External Tasks
External Milestone
Deadline

Page 1

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
CITY OF COMPTON
AND
CIVILSOURCE, INC.

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 **CIVILSOURCE, INC.** (hereinafter referred to as **"CONSULTANT"**), located at 9890 Irvine Center Drive, Irvine, California 92618.

RECITALS:

WHEREAS, the City has secured funds from the State's new Active Transportation Program ("ATP") by the passage of SB99 and AB101 in 2013 in which the program provides funding for projects that encourage the increased use of active transportation modes including bicycling and walking; and

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 on Wilmington Avenue; and

WHEREAS, Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements is a pedestrian and bicycle safety improvement project aimed to improve pedestrian and bicycle safety for the communities adjacent to the Wilmington Avenue transportation corridor by developing safer pedestrian crossings and intersections, as well as installing bicycle lanes to improve bicycle visibility and safety, thereby reducing collisions, and

WHEREAS, the City has determined that it will 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 Wilmington Avenue, including design support services during construction; and

WHEREAS, by Resolution No._____ , adopted on the ___ day of _____ 2015, the City Council authorized the City Manager to accept the proposal of the Consultant (Civil Source, Inc.) 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 providing professional design and engineering services for the preparation of preliminary design and the final PS&E (plans, specifications and estimates) bid package including design support services during construction for the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements on Wilmington Avenue. Services to be rendered shall include, but not be limited to the below-indicated tasks and deliverables:

Phase I – Preliminary Design

a. Kick-Off Meeting
b. Data Collection and Project Documentation
c. Topographic Survey
d. Utility Investigation & Coordination
e. Geotechnical Investigation and Report
f. Preliminary Plans
g. Meetings/Schedules

Phase II – Final Design – Plans, Specifications, & Estimates

a. Final Improvement Plans
b. Specifications
c. Quantity and Cost Estimates
d. State/Federal Funding Requirements

Phase III – Bidding/Construction Services

a. Bidding Services
b. Construction Services

As more fully specified and described in the City's **"Request for Proposals for Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements",** (dated May 2015) and the Consultant's **"Proposal for the Wilmington Avenue Safe Streets Pedestrian/Bicycle Improvements Project" – Compton, California,"** (dated June 30, 2015, both of which are incorporated herein by this reference.

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.

Amy Amirani, P.E., Principal of Consultant, shall be primarily responsible for representing Consultant in performance of this Agreement.

2. Duration of Contract. 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.

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 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 this Contract will be on a fee-for-services, per Task, basis as specified within Consultant's Cost 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 Public Works Department**

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 performed by the Consultant pursuant to this Agreement, City shall pay, and Consultant agrees to accept, a not-to-exceed maximum sum of **Eighty Four Thousand and Fifty Dollars ($84,050).**

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 above-designated insureds 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 insureds"** 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. 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.

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.

_____ _____

Amy Amirani, P.E., Principal **(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:	**Civil Source, Inc.** **9890 Irvine Center Drive** **Irvine, California 92618** **Attn: Amy Amirani, P.E.** **(949) 585-0477** **(949) 585-0433 – fax.**
To City:	**City of Compton** **205 South Willowbrook Avenue** **Compton, California 90220** **Attn: Director, Public Works Department** **(310) 605-5505** **(310) 761-1417 – fax.**
With 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.

CIVILSOURCE, INC./CONSULTANT

Dated: _____ **By _____**
Amy Amirani, P.E., Principal

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 AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH CIVIL SOURCE, INC., TO PROVIDE DESIGN SERVICES FOR THE WILMINGTON AVENUE SAFE STREETS PEDESTRIAN/BICYCLE IMPROVEMENT PROJECT AT A COST NOT TO EXCEED $84,050**

Glen Kau	**7/22/2015 3:51:00 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/23/2015 12:50:20 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/23/2015 11:53:56 AM**
CITY CONTROLLER	DATE
Johnny Ford	**7/22/2015 6:31:17 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.

July 28, 2015

TO: **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 RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2015-2016 ($109,000)**

SUMMARY

The City Council will consider a resolution authorizing the City Manager to renew the professional services agreement with Strategic Counsel for state legislative and advocacy services during Fiscal Year 2015-2016.

BACKGROUND

Approximately 5,000 bills move through the California Legislature every session. Strategic Counsel has extensive experience representing public and private organizations on a wide range of issues including regulatory and legislative matters. Furthermore, Strategic Counsel has provided legislative and advocacy services to the City of Compton since July 2007 and possesses the experience and knowledge of issues specific to Compton to effectively represent the City at the State level.

By way of example of just a few of the matters and issues that Strategic Counsel has advocated on behalf of the City during Fiscal Year 2014-2015:

- Worked collaboratively with Governor Brown, the Department of Finance and a coalition of other cities, labor and law enforcement stakeholders to secure language in the 2015-16 Local Government Budget Trailer Bill that would restore to the City of Compton $7 million per year in currently diverted voter-approved pension levy revenue. This very significant recovery of City revenue would avert a deficit in the pension fund and secure our City's retiree benefits, as intended by the voters of the City of Compton.

- Secured another critical legislative provision in the Governor's 2015-16 Local Control Trailer Bill that would allow the City's Redevelopment Successor Agency to receive a Finding of Completion. This Finding would allow the Successor Agency to begin disposing of properties held by the former Community Redevelopment Agency; allowing it to use some proceeds to pay off the RDA debt to the Department of Finance.

- Assisted the City in working with the Department of Finance to remove obstacles that had prevented the Department of Finance's final approval of the Renaissance Plaza Project, which has an economic impact to the City of $3 million.

- Connected the City to SB 535 Cap and Trade Disadvantaged Communities Grant opportunities that could be used in future years to create urban forests and green spaces in Compton, including projects along Compton Creek.

- Worked with State legislators on Medical Marijuana policies to preserve the City's local control in choosing whether to allow medical marijuana dispensaries to operate in its jurisdiction. Simultaneously, worked on federal Medical Marijuana Legislation (S. 683, by US. Senator Cory Booker) also to protect the City's dispensary ban.

- Facilitated opportunities for the City to preserve its revenue stream from the Crystal Casino by helping the City to oppose onerous new regulations and by opposing the easing of restrictions on off-reservation land acquisition by Tribal Casino Interests.

STATEMENT OF THE ISSUE

In July 2013, Strategic Counsel met with the Mayor and City Council to review advocacy results and to develop a comprehensive legislative platform. That platform has remained the City's guiding document, and general assignment to its legislative consultants. In order for the City to accomplish its mission, the unique expertise of Strategic Counsel is vital to ensuring that the City's legislative platform and local interests are continually communicated to local and state legislative delegations.

Strategic Counsel has proven adept at translating Counsel Priorities into financially beneficial results and supporting the City's local ordinances and regulations. Additionally, the City continues to be engaged in critical conversations with the Governor's Office and the Department of Finance regarding redevelopment finance issues and key budget decisions. Given the importance of these discussions in the upcoming year, and Strategic Counsel's effectiveness in its advocacy, it is in the best interest of the City to continue to avail itself of the expert services of Strategic Counsel to improve the likelihood of success in these vital decisions in the next fiscal year.

FISCAL IMPACT

The total cost for a professional services contract with Strategic Counsel will be $9,000 per month and shall not exceed $109,000[1] for Fiscal Year 2015-2016, commencing July 1, 2015 and

[1] The additional $1,000.00 indicated by the $109,000, rather than $108,000 would be to provide travel reimbursement for Strategic Counsel's travel to the City three (3) times a Legislative Session to report directly to the City Council.

terminating June 30, 2016. This annual rate has been consistent since 2007, since the City began contracting with Strategic Counsel.

Funds have been allocated in the Fiscal Year 2015-2016 budget in Account No. 1001-510-000-4218.

RECOMMENDATION

Staff recommends that the Mayor and Council adopt the attached Resolution.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2015-2016 ($109,000)

WHEREAS, the City Council has determined that it is necessary to retain legislative and advocacy services designed to enhance the City of Compton's ability to achieve its objectives and to help the City shape policies at the state level; and

WHEREAS, Strategic Counsel, a fully qualified legislative firm, currently provides legislative and advocacy services and evaluates policy issues for the City of Compton; and

WHEREAS, Strategic Counsel is a firm that understands the City's needs, goals, and shares its passion for success; and

WHEREAS, Strategic Counsel serves as the City's principal advisor on state level public policy, legislative and economic development policies, and coordinates with the City Administration and City Council Members; and

WHEREAS, Strategic Counsel led and organized the effort, involving eleven other Los Angeles area cities, to protect Compton's voter-approved pension tax, valued at $7 million annually in 2014, and in 2015 secured language in the Governor's Local Government Trailer Bill that provides for the return to the City of Compton of the aforementioned $7 million annually; and

WHEREAS, Strategic Counsel helped secure another provision in the Governor's Local Government Trailer Bill that – by treating the City of Compton's signed Redevelopment Agency Debt Repayment Plan as its completion of its obligations to pay off past Community Redevelopment Agency (RDA) debt –the City can immediately dispose of valuable properties in the RDA area that would otherwise have to had to remain unsold until the full RDA debt was paid; and

WHEREAS, Strategic Counsel facilitated meetings with the Department of Finance to gain commitment to clear the remaining obstacles preventing the completion of the Renaissance Plaza project, which has an economic impact to the City of $3 million; and

WHEREAS, Strategic Counsel facilitated the City's application for a SB 535 Greenhouse Gas Reduction Disadvantaged Community Grant to create urban forests and green space in Compton, which ultimately had to be postponed due to competing projects; but represents a continuing grant opportunity for the City, and

WHEREAS, Strategic Counsel defended the City's right to choose whether to allow medical marijuana dispensaries in its jurisdiction and successfully sought language in currently moving legislation that seeks to create a regulatory framework for medical marijuana at the state level and reclassification at the federal level; and

WHEREAS, Strategic Counsel assisted the City in preserving its revenue stream from Crystal Casino – nearly $2 million a year – by supporting the current regulatory framework around card rooms and voicing opposition to the easing of restrictions that allow Tribal Gaming Interests to claim traditionally off-reservation lands for gaming; and

WHEREAS, the dynamic of the State Legislature continues to change, Strategic Counsel provides the City a unique advantage in familiarizing Members with the City's unique needs and interests; and

WHEREAS, Strategic Counsel has tracked over six hundred pieces of legislation for the City, facilitated the City's engagement around eight legislative matters and actively monitored developments around transportation funding, the state drought, workforce development, and medical marijuana; and

WHEREAS, Strategic Counsel has also represented the City's interests on issues including redevelopment, land use, local finance, environmental funding, property taxes, and local powers and as such requests to continue as the City of Compton's state legislative representatives; and

WHEREAS, funds for the renewal of said agreement are available in the Fiscal Year 2015-2016 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 renew the professional services contract with Strategic Counsel PLC for legislative and advocacy services during Fiscal Year 2015-2016 for an amount not to exceed $109,000.00 at a rate of $9,000.00 per month plus $1,000.00 in total for travel expense reimbursement, commencing July 1, 2015 and terminating June 30, 2016.

SECTION 2. That funds for these services are allocated in the 2015-2016 Fiscal Year budget in Account No. 1001-510-000-4218.

SECTION 3. That a purchase order is authorized to be issued in an amount not to exceed $109,000.00.

SECTION 4. That certified copies of this Resolution shall be filed in the offices of the City Controller, City Clerk, City Manager, and the City Attorney.

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–
ABSTAIN: COUNCIL MEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

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 RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2015-2016 ($109,000)**

Kelly Montgomery	**6/18/2015 10:32:10 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/18/2015 3:33:54 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/18/2015 12:29:35 PM**
CITY CONTROLLER	DATE
Kelly Montgomery	**6/18/2015 11:21:04 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.

July 28, 2015

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: VAN WILSON, DIRECTOR
GENERAL SERVICES DEPARTMENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO EITHER A TWENTY (20) YEAR LEASE AGREEMENT WITH SOLEDAD ENRICHMENT ACTION, INC. OR A THREE (3) YEAR LEASE AGREEMENT WITH MID-CITIES ASSOCIATION FOR RETARDED CITIZENS, INC. FOR CITY-OWNED PROPERTY LOCATED AT 600 NORTH ALAMEDA STREET

SUMMARY

City Council will consider requests made by two (2) separate non-profit entities seeking to enter into a long-term lease of City-owned property located at 600 North Alameda Street, Compton.

Soledad Enrichment Action, Inc. ("SEA") requests to lease the entire subject property – an approximate 35,000 square foot building and 63,000 square feet of outdoor parking lot – for a period of twenty (20) year at a reduced rental rate and Mid-Cities Association for Retarded Citizens, Inc. ("Arc Mid-Cities") requests to lease the same entire subject property for a period of three (3) years at a reduced rental rate.

BACKGROUND

The City of Compton owns certain real property located at 600 North Alameda Street, consisting of a building structure and off-street parking lot. It has been used as a "shared occupancy" facility in that it housed certain City administered services in addition to offering indoor spaces for leasing to outside agencies, organizations and individuals. The premises at 600 North Alameda is currently vacant.

Pursuant to guidance of the City Council, in November 2012, the City Manager implemented a City-wide leasing policy which mandates that City-owned facilities and/or property *shall not* be leased without first obtaining proper authorization from the City Council (i.e. an adopted resolution) and execution of a written lease agreement [City of Compton Standard Operating Manual, Policy 4.17(A)]. In addition to other matters, the Policy specifies that lease rates shall be based on the square footage of the area(s) subject to the exclusive use/occupation of the Lessee and that the standard leasing rate for indoor floor space in a City-owned facility shall be ***at least* One Dollar ($1.00) *per square foot.*** The standard leasing rate for City-owned outdoor space or vacant property shall be ***at least* Fifty Cents ($0.50) *per square foot.***

In addition to these required minimum base rental rates of $1.00 per square foot for indoor space and $0.50 per square foot for outdoor space (totaling $66,500 per month for this property), the leasing policy addresses recovery of the costs incurred by the City for the provision of the following services: utilities (e.g. gas, electricity, water, trash, HVAC), maintenance and repairs, custodial services and City security. At the 600 North Alameda Street location, staff has identified the reasonable value of these recovery costs to be approximately -- an additional -- one dollar ($1.00) per square foot. However, the leasing policy does provide that a Lessee that will have exclusive use/occupation of the entire City facility and/or property ***shall be solely responsible for all utilities, janitorial, security, and interior and exterior maintenance of the facility or property.***

Soledad Enrichment Action, Inc.:

Soledad Enrichment Action, Inc. seeks to enter into a long-term lease agreement for the entire property at 600 North Alameda Street, inclusive of the building (approximately 35,000 square feet), attached façade and off-street parking lot (approximately 63,000 square feet, containing 97 parking stalls).

SEA is a non-profit organization founded in 1972 by mothers in East Los Angeles who had lost their sons to gang violence. SEA has since grown to become the leading provider of services to high-risk individuals, families, and gang-affected communities within Southern California. The organization combines individually tailored high school educational services with a diverse array of wrap-around and support services.

SEA currently operates seventeen (17) education centers which provide youth and families an alternative education model. This personalized educational program enables high-risk individuals to earn their high school diploma. Current enrollment is approximately 3,500 students annually between the ages of 14-18 years with a successful completion rate of 77%.

SEA also offers additional programs that are holistic, empowering individuals to learn to access social services, become better parents, complete a high school education, gain employment, and live productive, self-determined lives.

Mid-Cities Association for Retarded Citizens, Inc.:

Arc Mid-Cities seeks to enter into a long-term lease agreement for the entire property at 600 North Alameda Street, inclusive of the building (approximately 35,000 square feet), attached façade and off-street parking lot (approximately 63,000 square feet, containing 97 parking stalls).

In 1954, a group of parents from Compton formed an association to provide services and support for their children with intellectual and developmental disabilities that were on the verge of becoming young adults. The organization, Mid-Cities Association for Retarded Children, offered vocational skills, training, employment and advocacy for this population of people with special needs. The name was later changed from "Children" to "Citizens" as the organization pioneered services years before the 1971 Lanterman Act entitled such services here in California. Arc Mid-Cities has been in business for 60 years and has offices throughout Southern California.

Arc Mid-Cities provides a variety of programs which support the occupational and enrichment needs of their stakeholders. These include an onsite work activity center; community integrated behavior management programs and supported employment where their consumers participate in paid-work activities. They also have programs which teach and support basic life skills for their lower functioning consumers.

STATEMENT OF ISSUE

Soledad Enrichment Action, Inc.:

SEA seeks City Council approval to enter into a twenty (20) year lease agreement with the City of Compton, beginning August 1, 2015 through July 31, 2035, for exclusive occupation of the entire property -- 35,000 square foot building and 63,000 square feet of outdoor parking lot -- located at 600 North Alameda Street, along with an option for SEA, any time between the 2nd and 5th year of the lease agreement to request the opportunity to purchase the entire property. SEA is interested in leasing the subject property for the purpose of creating a social enterprise with their partner, Royal Dining. SEA currently provides social services to Compton residents and Royal Dining provides school lunches to over 30,000 children a day throughout Los Angeles County.

SEA requests that the Council authorize leasing rate provisions different than required by the City's Leasing Policy; more specifically, a lesser rental amount in exchange for proposed improvements and other alleged benefits to the community:

1. Use of approximately 35,000 square feet of the building for purposes of creating a social enterprise with SEA's partner, Royal Dining.

2. Payment to the City in the following incremental lease payments:

    a. Year 1: $1.00 for the first 12 months of the lease
    b. Year 2: $12,000 for the second year of the lease
    c. Year 3: $18,000 for the third year of the lease
    d. Year 4: $24,000 for the fourth year of the lease

e. Year 5-20: $150,000 per year

3. Creating and maintaining complete tenant improvements of the existing building.

4. Undertake the responsibility for all energy, maintenance, and service costs that, according to their estimate, currently amount to approximately $240,000 a year.

5. Proposed Property Improvements:

    a. Update the appearance of the outside façade.
    b. Expand the current kitchen into a working commercial unit capable of providing up to 70,000 meals a day.
    c. Install a 3,000 sq ft refrigeration unit.
    d. Create shipping and receiving area that will allow for the pick-up of 70,000 meals a day for delivery across Los Angeles County.
    e. Create an 8,000 sq ft state of the art food preparation area.
    f. Create a 2,500 sq ft storage area.
    g. Install a training kitchen.
    h. Remodel a portion of the offices to facilitate intake and social services provisions.
    i. Configure the entire building for energy efficiency including the use of solar energy (if feasible).

6. Proposed Community Benefits include:

    a. Employment: The creation of 300 new jobs during the first three (3) years of the project.
        i. Local hiring preferences during the building remodel stage.
        ii. Local hiring preference throughout the food preparation project.
    b. $308,500 a year in social service provision in addition to the $494,440 in services that SEA currently provides to Compton residents.
    c. Catering services for community meetings and events serving a total of 2,400 meals a year at a value of $28,000.

Mid-Cities Association for Retarded Citizens, Inc.:

Arc Mid-Cities seeks City Council approval to enter into a three (3) year lease agreement with the City of Compton, beginning October 1, 2015 through September 30, 2018, for exclusive occupation of the entire property -- 35,000 square foot building and 63,000 square feet of outdoor parking lot -- located at 600 North Alameda Street. Arc Mid-Cities is interested in leasing the subject premises for their management, accounting, workshop, training, transportation and community-based opportunity offices.

Arc Mid-Cities requests that the Council authorize leasing rate provisions different than required by the City's Leasing Policy; more specifically, a lesser rental amount in exchange for proposed improvements and other alleged benefits to the community:

1. Use of approximately 35,000 square feet of the building for use as their management, accounting, workshop, training, transportation and community-based opportunity offices at a lease rate of $17,000 per month for 36 months.

2. Creating and maintaining complete tenant improvements of the existing building.

3. Proposed Community Benefits include:

    a. Employment: Arc Mid-Cities employs 116 full-time and 1 part-time staff, not including their consumer base labor force of approximately 340 personnel. Existing staff and consumer base personnel will transfer to the new site. Arc Mid-Cities has an open employment period and is referred 3-4 consumers per month, and as the consumers pass through the intake process, Arc Mid-Cities hires ancillary staff to manage the new consumers; i.e., a counselor or case manager, job coach, driver and the appropriate 20-25 people per year.

    b. Dove Transit (a subsidiary of Arc Mid-Cities): They have 30 passenger vans, two of which service their Downey location, 16 clean fleet vehicles and 3 high-end electric vehicles. Arc Mid-Cities intends to utilize their current vehicle pool and hire approximately 20 new drivers to provide off-hour transportation service to Compton seniors, subsidize the Meals on Wheels program and/or the Compton CareerLink participants to and from designated sites as a part of job creation services.

FISCAL IMPACT

Soledad Enrichment Action, Inc.:

Potential positive financial impact to the City may be realized in that SEA will take on some of the debt associated with non-occupancy of the 600 North Alameda Street property and pay the City's general fund approximately:

a. Year 1: $1.00
b. Year 2: $12,000
c. Year 3: $18,000
d. Year 4: $24,000
e. Year 5-20: $150,000 per year

SEA will also be responsible for payment of the general utilities, janitorial, security, and interior and exterior maintenance of the premises.

Mid-Cities Association for Retarded Citizens, Inc.:

Potential positive financial impact to the City may be realized in that Arc Mid-Cities will take on some of the debt associated with non-occupancy of the 600 North Alameda Street property and pay the City's general fund approximately $204,000 per year in rents.

Arc Mid-Cities will also be responsible for payment of the general utilities, janitorial, security, and interior and exterior maintenance of the premises.

COMPARISON

A side-by-side comparison of the key deal points are as follows:

	Proposed Lease Terms	**Proposed Lease Terms**
Lessee	**Arc Mid-Cities**	**Soledad Enrichment Action, Inc.**
Lease Term Requested	3 YEARS w/ Option to Renew	20 YEARS
Building Square Footage Requested	35,000 SQ FT	35,000 SQ FT
Parking Log Square Footage	63,000 SQ FT	63,000 SQ FT
Expiration Date of Lease	2018	2025
Rent Paid To City Year 1	$204,000.00	$1.00
Rent Paid To City Year 2	$204,000.00	$12,000
Rent Paid To City Year 3	$204,000.00	$18,000
Rent Paid To City Year 4	Not Specified	$24,000.00
Rent Paid To City Year 5-20	Not Specified	$150,000.00
Potential Cost Savings to The City	$246,000 / Year	$246,000 / Year
Total Rent/Cost Savings Year 1	$450,000	$246,001
Total Rent/Cost Savings Year 2	$450,000	$258,000
Total Rent/Cost Savings Year 3	$450,000	$264,000
Total Rent/Cost Savings Year 4	**	$270,000
Total Rent/Cost Savings Year 5 - 20	**	$396,000

** Arc Mid-Cities Letter of Intent specifies a renewal option

RECOMMENDATION

Staff is not authorized to offer to lease City-owned property wherein the terms sought by the prospective Lessee vary from the requirements of the City's Leasing Policy – City Council authorization is required – thus, staff makes no recommendation concerning this request. The decision rests with the discretion of the City Council.

Council has a number of options available:

1. Authorize the City Manager to enter into a lease agreement with Soledad Enrichment Action, Inc.:

    a. For the 20 years requested or offer a lesser term
    b. For the reduced rental rates requested or offer the City policy rates (i.e. $35,000 per month for building/$31,500 per month for parking lot) or some other rental rate.

2. Authorize the City Manager to enter into a lease agreement with Mid-Cities Association for Retarded Citizens, Inc.:

a. For the 3 years requested or offer a lesser term
b. For the reduced rental rates requested or offer the City policy rates (i.e. $35,000 per month for building/$31,500 per month for parking lot) or some other rental rate.

3. Deny both requests.

**VAN WILSON, DIRECTOR
GENERAL SERVICES DEPARTMENT**

APPROVED FOR FORWARDING:

**JOHNNY FORD
CITY MANAGER**

Attached: Proposed Resolutions
Letter of Interest from SEA
Letter of Interest from Arc Mid-Cities

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A TWENTY (20) YEAR LEASE AGREEMENT WITH SOLEDAD ENRICHMENT ACTION, INC. (600 NORTH ALAMEDA STREET)

WHEREAS, the City of Compton owns certain real property located at 600 North Alameda Street, consisting of a building structure and off-street parking lot which is has been used as a "shared occupancy" facility in that it housed certain City administered services in addition to offering indoor spaces for leasing to outside agencies, organizations and individuals. The premises at 600 North Alameda is currently vacant; and

WHEREAS, Soledad Enrichment Action, Inc. ("SEA") is a non-profit organization founded in 1972 by mothers in East Los Angeles who had lost their sons to gang violence and has since grown to become the leading provider of services to high-risk individuals, families, and gang-affected communities within Southern California; and

WHEREAS, SEA seeks City Council approval to enter into a twenty (20) year lease agreement with the City of Compton, beginning August 1, 2015 through July 31, 2035, for occupation of the entire property -- 35,000 square foot building and 63,000 square feet of outdoor parking lot -- located at 600 North Alameda Street, along with an option for SEA, any time between the 2nd and 5th year of the lease agreement to request the opportunity to purchase the entire property; and

WHEREAS, SEA requests that the Council authorize leasing rate provisions different than required by the City's Leasing Policy; more specifically, a lesser rental amount in exchange for proposed improvements and other alleged benefits to the community:

1. Use of approximately 35,000 square feet of the building for purposes of creating a social enterprise with SEA's partner, Royal Dining.

2. Payment to the City in the following incremental lease payments:

    a. Year 1: $1.00 for the first 12 months of the lease
    b. Year 2: $12,000 for the second year of the lease
    c. Year 3: $18,000 for the third year of the lease
    d. Year 4: $24,000 for the fourth year of the lease
    e. Year 5-20: $150,000 per year

3. Creating and maintaining complete tenant improvements of the existing building.
4. Responsibility for all energy, maintenance, and service costs.
5. Proposed Property Improvements:

    a. Update the appearance of the outside façade.
    b. Expand the current kitchen into a working commercial unit capable of providing up to 70,000 meals a day.
    c. Install a 3,000 sq ft refrigeration unit.
    d. Create shipping and receiving area that will allow for the pick-up of 70,000 meals a day for delivery across Los Angeles County.
    e. Create an 8,000 sq ft state of the art food preparation area.
    f. Create a 2,500 sq ft storage area.
    g. Install a training kitchen.
    h. Remodel a portion of the offices to facilitate intake and social services provisions.
    i. Configure the entire building for energy efficiency including the use of solar energy (if feasible).

6. Proposed Community Benefits include:

    a. Employment: The creation of 300 new jobs during the first three (3) years of the project.
        i. Local hiring preferences during the building remodel stage.
        ii. Local hiring preference throughout the food preparation project.
    b. $308,500 a year in social service provision in addition to the $494,440 in services that SEA currently provides to Compton residents.
    c. Catering services for community meetings and events serving a total of 2,400 meals a year at a value of $28,000.

WHEREAS, the City Council finds that authorizing the lease agreement with Soledad for a rental amount that is less than that required by the City's Leasing Policy is justified by the proposed improvements to the property and benefits to the residents of the City of Compton.

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

Section 1. That the City Manager, upon the approval of the City Attorney, is authorized to execute a twenty (20) year agreement, effective August 1, 2015 through July 31, 2035, with Soledad Enrichment Action, Inc. for the exclusive use of the entire property located at 600 North Alameda Street, inclusive of the building (approximately square feet), attached façade and off-street parking lot (approximately 63,000 square feet, containing 97 parking stalls) for purposes of providing social services and preparation and distribution of school lunches.

Section 2. That the lease rate for the twenty (20) term of the lease agreement shall be as follows:

Year 1: $1.00 for the first 12 months of the lease
Year 2: $12,000 for the second year of the lease
Year 3: $18,000 for the third year of the lease
Year 4: $24,000 for the fourth year of the lease
Year 5-20: $150,000 per year

Section 3. That Soledad Enrichment Action, Inc. shall be responsible for payment of the general utilities, janitorial, security, and interior and exterior maintenance of the premises/property.

Section 4. That Account No. 1001 000 000 3420 has been established to receive lease payments for the 600 North Alameda Street property.

Section 5. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Clerk, City Controller, General Services and City Attorney's Office.

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 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

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A THREE (3) YEAR LEASE AGREEMENT WITH MID-CITIES ASSOCIATION FOR RETARDED CITIZENS, INC. (600 NORTH ALAMEDA STREET)

WHEREAS, the City of Compton owns certain real property located at 600 North Alameda Street, consisting of a building structure and off-street parking lot which is has been used as a "shared occupancy" facility in that it housed certain City administered services in addition to offering indoor spaces for leasing to outside agencies, organizations and individuals. The premises at 600 North Alameda is currently vacant; and

WHEREAS, In 1954, a group of parents from Compton formed an association, the Mid-Cities Association for Retarded Children (later changed from "Children" to "Citizens"), to provide services and support for their children with intellectual and developmental disabilities who were on the verge of becoming young adults. The organization offers vocational skills, training, employment and advocacy for this population of people with special needs; and

WHEREAS, Mid-Cities Association for Retarded Citizens, Inc. ("Arc Mid-Cities") provides a variety of programs which support the occupational and enrichment needs of their stakeholders, including an onsite work activity center, community integrated behavior management programs and supported employment where their consumers participate in paid-work activities. Their also have programs which teach and support basic life skills for their lower functioning consumers; and

WHEREAS, Arc Mid-Cities seeks City Council approval to enter into a three (3) year lease agreement with the City of Compton, beginning October 1, 2015 through September 30, 2018, for exclusive occupation of the entire property -- 35,000 square foot building and 63,000 square feet of outdoor parking lot -- located at 600 North Alameda Street; and

WHEREAS, Arc Mid-Cities requests that the Council authorize leasing rate provisions different than required by the City's Leasing Policy; more specifically, a lesser rental amount in exchange for proposed improvements and other alleged benefits to the community:

1. Use of approximately 35,000 square feet of the building for use as their management, accounting, workshop, training, transportation and community-based opportunity offices at a lease rate of $17,000 per month for 36 months.
2. Creating and maintaining complete tenant improvements of the existing building.
3. Proposed Community Benefits include:

    a. Employment: Arc Mid-Cities employs 116 full-time and 1 part-time staff, not including their consumer base labor force of approximately 340 personnel. Existing staff and consumer base personnel will transfer to the new site. Arc Mid-Cities has an open employment period and is referred 3-4 consumers per month, and as the consumers pass through the intake process, Arc Mid-Cities hires ancillary staff to manage the new consumers; i.e., a counselor or case manager, job coach, driver and the appropriate 20-25 people per year.

    b. Dove Transit (a subsidiary of Arc Mid-Cities): They have 30 passenger vans, two of which service their Downey location, 16 clean fleet vehicles and 3 high-end electric vehicles. Arc Mid-Cities intends to utilize their current vehicle pool and hire approximately 20 new drivers to provide off-hour transportation service to Compton seniors, subsidize the Meals on Wheels program and/or the Compton CareerLink participants to and from designated sites as a part of job creation services.

WHEREAS, the City Council finds that authorizing the lease agreement with Arc Mid-Cities for a rental amount that is less than that required by the City's Leasing Policy is justified by the proposed improvements to the property and benefits to the residents of the City of Compton.

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

Section 1. That the City Manager, upon the approval of the City Attorney, is authorized to execute a three (3) year agreement, effective October 1, 2015 through September 30, 2035, with Mid-Cities Association for Retarded Citizens, Inc. for the exclusive use of the entire property located at 600 North Alameda Street, inclusive of the building (approximately square feet), attached façade and off-street parking lot (approximately 63,000 square feet, containing 97 parking stalls) for use as their management, accounting, workshop, training, transportation and community-based opportunity offices.

Section 2. That the lease rate for the three (3) term of the lease agreement shall be Seventeen Thousand Dollars ($17,000.00) per month.

Section 3. That Mid-Cities Association for Retarded Citizens, Inc. shall be responsible for payment of the general utilities, janitorial, security, and interior and exterior maintenance of the premises/property.

Section 4. That Account No. 1001 000 000 3420 has been established to receive lease payments for the 600 North Alameda Street property.

Section 5. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Clerk, City Controller, General Services and City Attorney's Office.

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)

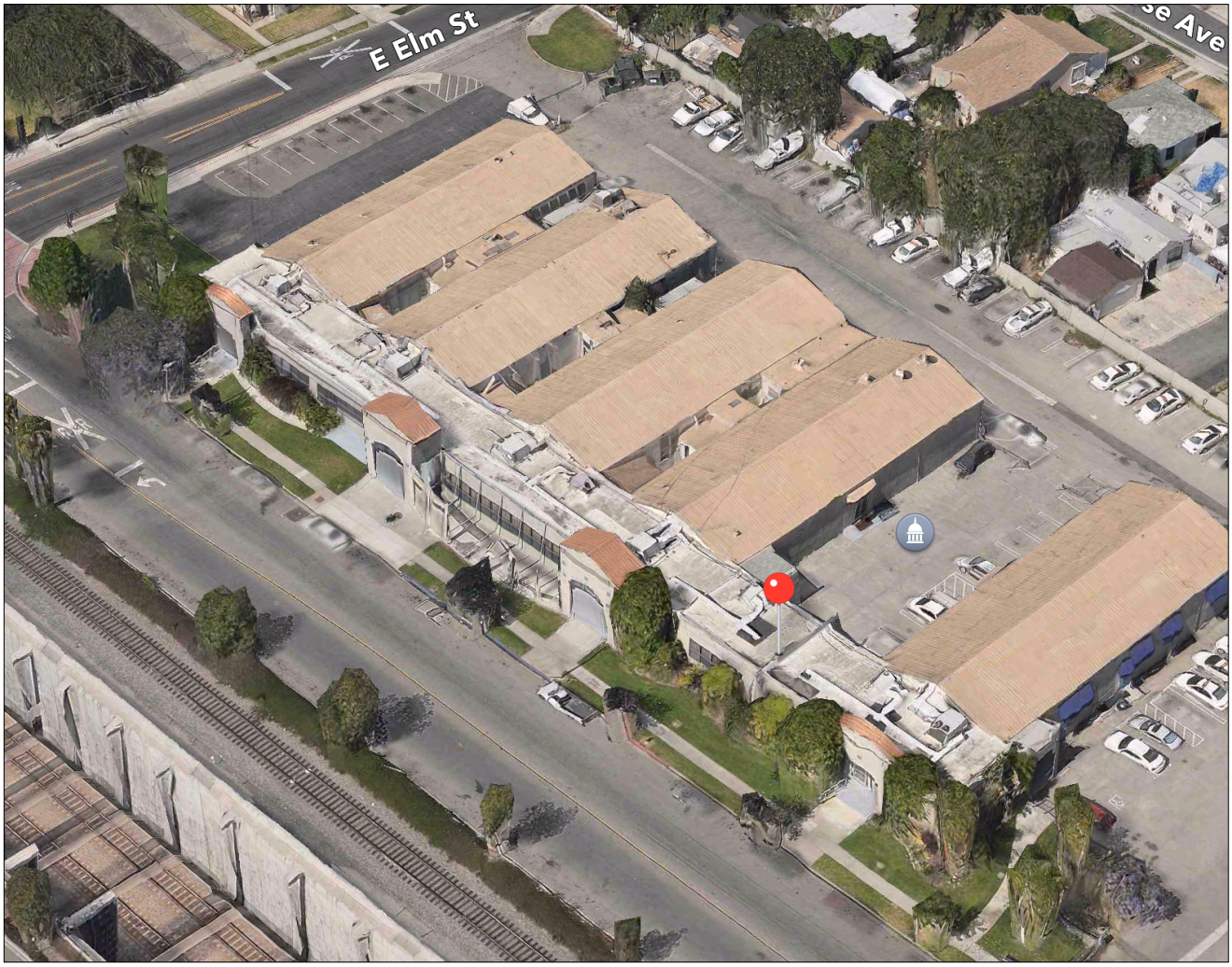
I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2015.

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

ARC MID-CITIES



Letter of Intent

Prepared for: Johnny Ford, City Manager

Prepared by: JB Wagoner, Executive Director

July 7, 2015

Proposal number 1

EXECUTIVE SUMMARY

Objective

Mid-Cities Association for Retarded Citizens Inc. (Arc Mid-Cities) is a 60 year old 501(c) 3 with the vision of helping people with intellectual & developmental disabilities be all they can be. Our objective is to secure a new facility for the 350 people we employ at the best price possible. We currently operate a fleet of 50+ passenger vehicles in our supported employment and community integrated work training programs. One of our strategic goals is to upgrade our fleet to all-electric by 2019. Our longer-term objective is to renovate a facility to better suited for our range of program services.

Goals

In order to help achieve these objectives, Arc Mid-Cities would like to acquire the approx. 35,000 sq. ft. building at 600 N. Alameda from The City of Compton. This site would be used for our management, accounting, workshop, training, transportation and community-based opportunity offices.

We would bring 271 jobs to the City of Compton with Employee Classifications of Clerical, Private Schools, Janitorial, Sheltered Workshop and Retail service workers. We would expand employment by hiring 4 additional staff for our ongoing programs and 6 new drivers for our clean vehicle fleet.

Solution

Arc Mid-Cities would like to enter into a Lease Agreement with option to renew with The City for the aforementioned property. Financial terms of the agreement would be $17,000 per month for 3 years. Arc Mid-Cities will do tenant Improvements. The City is interested in retaining use of 7000 square feet of building unit #1 space and we will 'Work with the City to make accommodations. Due to the age of the building, this agreement would be contingent on passing a building inspection.

Project Outline

Due to time constraints, we would like to expedite this process. Although this site is our first choice (for practical and sentimental reasons), we provide services in Los Angeles, Riverside and Orange Counties, so we will continue to look at opportunities until this one is resolved. These are the things we would like to see happen:

- The City Attorney would prepare a Lease Option Agreement containing the provisions in this Letter of Intent.
- The City will provide a years worth of utility bills, building plans and any recent building inspection reports.
- The Office of The City Manager will assist in getting this issue before the City Council for a decision soon.

Who We Are

In 1954, a group of parents from The City of Compton formed an association to provide services and support for their children with intellectual and developmental disabilities who were on the verge of becoming young adults. That organization, Mid-Cities Association for Retarded Children, offered vocational skills training, employment and

advocacy for this population of people with special needs. The name was later changed from "Children" to "Citizens" as the organization pioneered services years before the 1971 Lanterman Act entitled such services here in California. Arc Mid-Cities has been in business for 60 years and has offices throughout Southern California.

Office Locations

- Corporate Office 14208 Towne Ave. Los Angeles, CA 90061
- South L.A. Office 1011 N. Willowbrook Ave. Compton, CA 90220
- Orange County Office 1277 S. Lyon St. Ste. 501 Santa Ana, CA 92705
- Riverside County Office 14340 Elsworth St #211B Moreno Valley, CA 92553

What We Do

Arc Mid-Cities provides a variety of programs which support the occupational and enrichment needs of our stakeholders. These include an onsite work activity center, community integrated behavior management programs and supported employment where our consumers participate in paid-work activities. We also have programs which teach and support basic life skills for our lower functioning consumers.

Where We Are Going

We continuously strive to provide a higher-level of service and opportunity for the people we serve. We are currently working on a charter school and YouthBuild program for high-functioning clients interested in getting their high school diploma and a carrier in the construction trades.

Transportation is a big part of what we do. We are proud to now include Tesla Motors as one of our community partners. In this second year of our 5-Year EV strategic plan, have logged over 200,000 gas-free miles and learned a lot in the process.

Soledad Enrichment Action
"Transforming lives since 1972"

o: (213) 480-4200 f: (213) 480-4199 a: 222 N. Virgil Ave., Los Angeles, CA 90004

June 16, 2015

Johnny Ford
City Manager
City of Compton
205 S Willowbrook Ave
Compton CA 90220

Re: Letter of Interest in leasing the building at 600 N. Alameda Compton CA

Dear Mr. Ford,

On behalf of Soledad Enrichment Action (SEA), I am authorized to submit this Letter of Interest declaring a request to enter into an exclusive negotiating agreement with the intent of leasing the property at 600 N. Alameda in the City of Compton.

SEA is interested in the building at 600 N. Alameda in Compton CA for the purpose of creating a social enterprise with our partner Royal Dining. SEA currently provides social services to Compton City residents and Royal Dining provides school lunches to over 30,000 children a day throughout Los Angeles County.

SEA currently provides its Compton accessible services at their location on 4205 E. Alondra Blvd., Compton, CA 90221 and has operated as a business for 43 years.

Royal Dining currently prepares and delivers meals at its location on 9525 Cozycroft Ave., Suite B, Chatsworth, CA 91311.

The SEA / Royal Kitchen partnership, from here on referred to as "The Company", would require a lease for the entire building, its attached facade, and parking. The Company would require parking for employees, visitors, and delivery trucks.

The Company would be responsible for the entire remodel of the building, as well as the costs associated with it.

In consideration of the lease, The Company would undertake the following improvements to the building:

- Update the appearance of the outside facade
- Expand the current kitchen into a working commercial unit capable of providing up to 70,000 meals a day
- Install a 3,000 sq ft refrigeration unit
- Create a shipping and receiving area that will allow for the pick up of 70,000 meals a day for delivery across Los Angeles County
- Create an 8,000 sq ft state of the art food preparation area
- Create a 4,000 sq ft meal packing area
- Create a 2,500 sq ft storage area
- Install a training kitchen
- Remodel a portion of the offices to facilitate intake and social service provision
- Configure the entire building for energy efficiency including the use of solar energy if feasible

In consideration of the lease, The Company is prepared to offer a community benefits package that, in addition to the creation of jobs, will have an approximate yearly value of **$577,300**. The community benefits package includes:

- The creation of 300 new jobs during the first three years of the project
    - Local hiring preference during the building remodel stage of the project
    - Local hiring preference throughout the food preparation project
- **$308,500** a year in social service provision in addition to the $494,440 in services that SEA currently provides to Compton residents
- Catering services for community meetings and events serving a total of 2,400 meals a year at a value of **$28,800**
- Undertake the responsibility for all the energy, maintenance, and service costs that currently amounts to approximately **$240,000** a year

In addition to these community benefits, The Company will provide incremental lease payments in the following stages:

Year 1 : $1.00 per year
Year 2 : $12,000 per year
Year 3 : $18,000 per year
Year 4: $24,000 per year
Year 5-20: $150,000 per year

At any time between the 2nd and 5th year of this agreement, and solely at the request of The Company, both parties will enter into an exclusive negotiating agreement to determine the terms for the sale of the property to The Company.

The sales price of the property will not exceed the appraised value of the building prior to improvements in 2015.

We further understand that this Letter of Interest, does not in any way constitute an obligation or commitment on the part of either The Company or the City of Compton.

Sincerely,

Nathan D. Arias
President & CEO

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Attorney**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO EITHER A TWENTY (20) YEAR LEASE AGREEMENT WITH SOLEDAD ENRICHMENT ACTION, INC. OR A THREE (3) YEAR LEASE AGREEMENT WITH MID-CITIES ASSOCIATION FOR RETARDED CITIZENS, INC. FOR CITY-OWNED PROPERTY LOCATED AT 600 NORTH ALAMEDA STREET**

Ruth Rugley — **7/21/2015 4:43:51 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/22/2015 10:31:30 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/22/2015 4:40:26 PM**
CITY CONTROLLER — DATE

Johnny Ford — **7/22/2015 10:48:46 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.

July 28, 2015

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **CRAIG CORNWELL, CITY ATTORNEY**

SUBJECT: **A RESOLUTION OF THE COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE ISSUANCE AND SALE OF TAX AND REVENUE ANTICIPATION NOTES FOR FISCAL YEAR 2015-2016 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF THE TRUST AGREEMENT, THE ACCOMPANYING DOCUMENT, THE DIRECTION LETTER, THE NOTE PURCHASE AGREEMENT, THE PRELIMINARY LIMITED OFFERING MEMORANDUM, THE LIMITED OFFERING MEMORANDUM, THE TAX AGREEMENT, THE INVESTOR LETTER, APPROVING NOT TO EXCEED PARAMETERS FOR THE NOT TO EXCEED PAYMENT TERMS OF THE SERIES 2015-2016 TRANS, THE ADOPTION OF POST ISSUANCE TAX COMPLIANCE PROCEDURES AND AUTHORIZING OTHER RELATED MATTERS**

SUMMARY

The Resolution authorizes the City to issue and sell 2015-16 Tax and Revenue Anticipation Notes, Series A (the "Notes") pursuant to Section 53850 et. seq. of the Government Code of the State of California. Pursuant to the Resolution, the City Council (the "Council") approves the preparation and the execution of the Notes, the Trust Agreement, the Accompanying Document, the Direction Letter, Preliminary Limited Offering Memorandum and the Note Purchase Agreement and authorizes the adoption of Post Issuance Tax Compliance Procedures to assist with the City's compliance with Continuing Disclosure Undertakings in connection with publically offered municipal securities.

BACKGROUND

Tax and Revenue Anticipation Notes are used by public entities in the State of California to address cash flow concerns through the use of a short-term borrowing. The City expects to sell its Notes on a negotiated basis to IFS Securities, Inc., (the "Underwriter") in consultation with Comer Capital Group, the financial advisor and Gonzalez Saggio & Harlan LLP, bond counsel to the City and Butler Snow, Special Tax Counsel to the City. The Underwriter will be represented by separate counsel. The Bonds are expected to require any noteholder to execute an investment letter covering the status of the noteholder as an "accredited investor" within the meaning of Rule 501(a) promulgated under the Securities Act of 1933, as amended and setting forth the terms of any subsequent transfer of the Notes (the "Investment Letter"). This transaction involves a security sale and detailed disclosure through a Limited Offering Memorandum. The

Notes will be able to be transferred by the noteholder to another investor only after complying with specific provisions in the Investment Letter.

The adoption of Post Issuance Tax Compliance Procedures is necessary to enhance the City's compliance with the City's obligations regarding Continuing Disclosure Undertakings pursuant to the Securities and Exchange Commission's Rule 15c2 – 12 (the "Rule").

STATEMENT OF ISSUE

As part of the City's efforts to ensure that sufficient revenues are available to pay City expenditures when due, City management has considered options and is recommending the Council authorize the issuance of Notes to ensure the availability of funds to address the City's current liquidity concerns during Fiscal Year 2015-16.

The City will enter into an Accompanying Document which will direct the Trustee to establish the "2015-16 TRANs Proceeds Fund" to which the net proceeds of the sale of the Notes will be transferred and deposited. The City Manager will make disbursements from the 2015-16 TRANs Proceeds Fund when funds are needed to pay current Fiscal Year 2015-16 expenditures. Amounts in the 2015-16 TRANs Proceeds Fund will be invested in Permitted Investments (defined therein) so as to be available for the aforementioned disbursements.

In order to secure the repayment of the Notes, the City will execute a Direction Letter to the County of Los Angeles (the "County"). In accordance with the Direction Letter from the City to the County, the County Auditor-Controller is directed to transfer revenues relating to Vehicle License Fees, Sales and Use Tax and Property Tax – 1% of City of Compton TD#1 (Account #132.01) (collectively, the "County Collected Revenues") collected by the County of Los Angeles, on behalf of the City, to the Trustee for deposit in the 2015-16 TRANs Repayment Fund. The Trustee will apply all such proceeds to interest outstanding and principal of the Notes at maturity.

A Limited Offering Memorandum will be prepared to assist in the marketing and sale of the Notes. The Notes are not subject to redemption prior to maturity.

In order to enhance the City's regular and timely compliance with its obligations pursuant to Continuing Disclosure Agreements adopted in connection with the issuance of tax exempt bonds, the adoption of Post Issuance Tax Compliance Procedures will serve as a guide to ensure that the interest on the tax exempt bonds issued remains excludable from gross income under the provisions of Section 103 of the Internal Revenue Code of 1986, as amended. Actions of the Internal Revenue Service make compliance with Continuing Disclosure Undertakings of the highest importance. The use of the Post Issuance Tax Compliance Procedures will assist the City in responding most effectively to any IRS inquiries regarding the issuance of tax exempt bonds.

FISCAL IMPACT

The Resolution permits the City to issue a Tax and Revenue Anticipation Note in a principal amount not to exceed $10,000,000. The Tax and Revenue Anticipation Note would be a general obligation of the City and would be secured by all taxes, income, revenues, cash receipts and other moneys of the City received or accrued by the City during Fiscal Year 2015-16 that are lawfully available for payment of the 2015-16 TRANs and the interest thereon (collectively, the "Unrestricted Revenues"). The City will pledge Unrestricted Revenues toward repayment of the Tax and Revenue Anticipation Note and will direct the County to transfer the County Collected Revenues to a Repayment Fund held by the Trustee rather than to the City's General Fund until such time as the Repayment Amount is accumulated in the Repayment Fund. Funds in the Repayment Fund will fund the outstanding interest and principal due at maturity of the Notes. However, in the event insufficient money from the County Collected Revenues is collected to pay principal of and interest on the Notes, the City would be obligated to pay the Notes from any Unrestricted Revenues. The City's Financial Advisor currently projects that the amount needed to repay the principal of and interest on the Note will be a maximum amount of 10,500,000 based on an assumed interest rate of no more than 3.5% per annum. The closing date is expected to be on or about August 15, 2015 and maturity of June 1, 2016. This amount also recognizes that the City will not be able to prepay any principal and interest.

The adoption of Post Issuance tax Compliance Procedures has a minimal fiscal impact.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE ISSUANCE AND SALE OF TAX AND REVENUE ANTICIPATION NOTES FOR FISCAL YEAR 2015-2016 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF THE TRUST AGREEMENT, THE ACCOMPANYING DOCUMENT, THE DIRECTION LETTER, THE NOTE PURCHASE AGREEMENT, THE PRELIMINARY LIMITED OFFERING MEMORANDUM, THE LIMITED OFFERING MEMORANDOM, THE TAX AGREEMENT, THE INVESTOR LETTER, APPROVING NOT TO EXCEED PARAMETERS FOR THE NOT TO EXCEED PAYMENT TERMS OF THE SERIES 2015-2016 TRANS, THE ADOPTION OF POST ISSUANCE TAX COMPLIANCE PROCEDURES AND AUTHORIZING OTHER RELATED MATTERS

WHEREAS, the City of Compton (the "**City**"), a municipal corporation and chartered city of the State of California, requires funds for the purposes authorized by Section 53852 of the California Government Code; and

WHEREAS, the City is authorized to borrow money pursuant to Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended, and Charter of the City of Compton (as amended, the "**City Charter**") Section 1403 (collectively, the "**Authorizing Law**"), for the purposes authorized by California Government Code Section 53852 and the City Charter, respectively, such indebtedness to be represented by a note or notes of the City; and

WHEREAS, pursuant to the Authorizing Law, such notes are to be issued pursuant to a resolution of the City Council of the City (the "**City Council**") and may be issued from time to time as provided in such resolution; and

WHEREAS, the City has determined that it is necessary and in the best interests of the City to authorize the borrowing of an amount not to exceed $10,000,000 with respect to the City's Fiscal Year 2015-16 such indebtedness to be evidenced by the 2015-16 Tax and Revenue Anticipation Notes authorized and described herein (the "**Series 2015-16 TRANs**") in an aggregate principal amount not to exceed the sum described above; and

WHEREAS, the Series 2015-16 TRANs, together with the interest payable thereon, will not exceed 85% of the estimated amount of the uncollected taxes, income, revenue, cash receipts and other moneys of the City which will be available for the payment of the Series 2015-16 TRANs or other indebtedness and the interest thereon subject to the Authorizing Law; and

WHEREAS, in connection with the public sale of the Series 2015-16 TRANs, the City proposes to authorize and approve the use and distribution of the Preliminary Limited Offering Memorandum in substantially the form attached hereto, and authorize and approve the preparation, use, distribution, execution and delivery of a final limited offering memorandum in substantially the form of the Preliminary Limited Offering Memorandum, in each case with such additions, deletions and changes as may be necessary or appropriate to complete and finalize the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum pertaining to the Series 2015-16 TRANs, and with respect to the Limited Offering Memorandum with the addition of the payment terms of the Series 2015-16 TRANs following the sale of the Series 2015-16 TRANs and to authorize and direct the City Manager to approve the preparation, use and distribution of, and to "deem final," the Preliminary Limited Offering Memorandum and approve the preparation, use and distribution of, and to execute and deliver, the Limited Offering Memorandum;

WHEREAS, in connection with the issuance of the Series 2015-16 TRANs, the City, as issuer, proposes to authorize and approve entering into a certain Accompanying Document (the "**Accompanying Document**") in substantially the form attached hereto, pursuant to which the City will grant a security interest in, convey, bargain, pledge, transfer and assign unto the U.S. Bank National Association, as trustee, (the "**Trustee**"), all of the City's right, title, and interest in

and to the Unrestricted Revenues (as defined in the Accompanying Document), including the County Collected Revenues (as defined in the Accompanying Document);

WHEREAS, in connection with the issuance of the Series 2015-16 TRANs, and pursuant to the Authorizing Law, the City proposes to authorize and approve entering into those certain other documents, including the Trust Agreement, the Direction Letter and the Continuing Disclosure Agreement, in substantially the forms attached hereto;

WHEREAS, in connection with the issuance of the Series 2015-16 TRANs the City proposes to authorize and approve entering into a certain Tax Agreement obligating the City to comply with certain covenants in order to maintain the exclusion of interest on the Series 2015-16 TRANs from the gross income of the owners thereof for federal income tax purposes;

WHEREAS, in connection with the foregoing, the City proposes to authorize and approve the completion, finalization, execution, delivery and performance of the Accompanying Document, the Trust Agreement, the Direction Letter, the Investor Letter, the Tax Certificate, the Continuing Disclosure Agreement, and, the distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, the execution, authentication, issuance, sale, and delivery of the Series 2015-16 TRANs and the preparation, execution, delivery and performance of any and all other documents necessary or appropriate in connection with the issuance and sale of the Series 2015-16 TRANs, including, without limitation, to authorize the City Manager and each such other authorized officers to approve such additions, deletions and changes to each such document as the City Manager or such other authorized officer deems appropriate in each case, as provided hereinafter; and

WHEREAS, the city has determined that it has previously issued tax exempt municipal securities and expects to continue to issue tax exempt municipal securities as authorized herein, and has determined in order to ensure ongoing compliance with continuing disclosure obligations, all laws, regulations and covenants, it is necessary and in the best interests of the City to authorize the adoption of Post Issuance Tax Compliance Procedures and approve the related matters set forth hereinafter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON HEREBY RESOLVES AS FOLLOWS:

SECTION 1. That this Resolution (the "Resolution") is adopted pursuant to the provisions of the Authorizing Law and other applicable laws.

SECTION 2. That the Series 2015-16 TRANs are hereby authorized to be issued, which notes shall mature on or before June 1, 2016 in an aggregate principal amount not to exceed the lesser of $10,000,000 or the amount authorized to be issued pursuant to the Authorizing Law, as certified by the City Manager or his designee (the "**City Manager**"), and pursuant to the Accompanying Document for the Series 2015-16 TRANs (the "**Accompanying Document**"), attached hereto as **Exhibit A**, and as further approved by the City Manager, his execution of the Accompanying Document to be conclusive evidence thereof. The Series 2015-16 TRANs shall be issued as provided in the Accompanying Document. The form of Accompanying Document presented at this meeting shall be completed and executed in accordance with this Resolution, such instrument is by this reference incorporated herein and hereby approved. The City Manager is hereby authorized for and in the name of, and on behalf of, the City, to execute and deliver said Accompanying Document, substantially in the form attached hereto and on file with the City Clerk, with such changes therein as may be necessary or desirable or as he may approve, in his sole discretion, as being in the best interests of the City, such approval to be evidenced conclusively by the execution and delivery thereof. The City Manager is empowered to implement this Resolution in a manner determined by the City Manager to be necessary or desirable and in the best interests of the City. Without limiting the foregoing, the City Manager, subject to Section 5 hereof, may determine the maturity date and amount for the Series 2015-16 TRANs, and the City Manager is hereby authorized to make conforming changes reflecting such maturity and amount to each of the documents approved by this Resolution, including changes to the date and amounts to be set aside hereunder and under

the Accompanying Document prior to the end of the fiscal year as the City Manager determines are necessary or appropriate. The terms and conditions as set forth (or incorporated by reference) in the Accompanying Document, together with the terms and conditions of the Series 2015-16 TRANs set forth in this Resolution, together with any authorized and approved supplements and amendments thereto, if any, shall, upon the execution and delivery of the Accompanying Document, be the terms and conditions of such Series 2015-16 TRANs, as if all such terms and conditions were fully set forth in this Resolution.

SECTION 3. That in consideration of the purchase and acceptance of the Series 2015-16 TRANs authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the City and the owners from time to time of the Series 2015-16 TRANs. The pledge made in, and the covenants and agreements to be performed by and on behalf of the City set forth in, this Resolution, in any resolution supplemental hereto, or in the Accompanying Document with respect to the Series 2015-16 TRANs shall be for the benefit, protection and security of the owners of the Series 2015-16 TRANs.

SECTION 4. The form of the Series 2015-16 TRANs and the provisions for dating, execution, authentication, payment, registration and redemption (optional and mandatory) shall be as set forth in the Accompanying Document and in accordance with the pricing parameters set forth hereinafter in Section 5. The Series 2015-16 TRANs shall be dated the date of issuance and delivery thereof, shall be initially issued in book-entry only form as fully registered TRANs without coupons, shall be in the denomination of $100,000 or any integral multiple thereof, shall be transferable to subsequent owners as provided herein and in the Accompanying Document and shall bear interest from the dates at the rates per annum to be set forth in the Accompanying Document and, as provided therein, the Series 2015-16 TRANs shall not be subject to redemption prior to maturity.

SECTION 5. That the City Manager, for and on behalf of the City, is hereby authorized to sell the 2015-16 TRANs on a negotiated basis to IFS Securities, Inc. (the "Underwriter"), in consultation with Comer Capital Group, LLC, the City's Financial Advisor, with respect to the Series 2015-16 TRANs, pursuant to the terms, conditions and procedures set forth in the Accompanying Document and in the Note Purchase Agreement between the City and the Underwriter (the "**Note Purchase Agreement**"), attached hereto as **Exhibit B**; provided that the Series 2015-16 TRANs shall (1) mature not later than June 1, 2016 and (2) bear interest at the rate established prior to delivery of the Series 2015-16 TRANs pursuant to the Note Purchase Agreement, in no event to exceed a rate of interest of three and one half percent (3.5%) per annum and an original issue discount of two percent (2%). The form of the Note Purchase Agreement, with such additions thereto and changes therein as are consistent with this Section 5 and as the City Manager, or his designee, deems necessary and appropriate is hereby authorized. The form of Note Purchase Agreement presented at this meeting shall be completed and executed in accordance with this Resolution, such instrument is by this reference incorporated herein and hereby approved. The City Manager is hereby authorized for and in the name of, and on behalf of, the City, to execute and deliver said Note Purchas Agreement, substantially in the form attached hereto and on file with the City Clerk, with such changes therein as may be necessary or desirable or as he may approve, in his sole discretion, as being in the best interests of the City, such approval to be evidenced conclusively by the execution and delivery thereof.

SECTION 6. That the City Council hereby approves the Preliminary Limited Offering Memorandum (the "**Preliminary Limited Offering Memorandum**"), attached hereto as Exhibit C, describing the Series 2015-16 TRANs in substantially the form presented at this meeting, together with such additions thereto and changes therein as are determined necessary or desirable by the City Manager and with the approval as to form of the City Attorney, including but not limited to such changes as are deemed necessary or desirable by the City Attorney. The City Manager is hereby authorized and directed to approve any changes in or additions to the Preliminary Limited Offering Memorandum that are determined to be necessary or desirable to cause such Preliminary Limited Offering Memorandum to be put in final form and to make such

final Limited Offering Memorandum complete and accurate as of its date, and to execute said final Limited Offering Memorandum for and in the name and on behalf of the City.

SECTION 7. That the engagement of the U.S. Bank National Association (the "Trustee") to provide trustee services for the Series 2015-16 TRANs is hereby approved pursuant to the form of the Trust Agreement (the "**Trust Agreement**"), attached hereto as **Exhibit D** and on file with the City Clerk and presented at this meeting and the City Manager is hereby authorized to execute the Trust Agreement, with such additions thereto and changes therein as he, or his designee, deem necessary and appropriate to be executed by the City Manager, subject to the approval of the City Attorney and such approval to be evidenced conclusively by the execution and delivery thereof.

SECTION 8. That as provided in the Authorizing Law, the Series 2015-16 TRANs shall be general obligations of the City, payable from all legally available sources, including Unrestricted Revenues and County Collected Revenues (as both of those terms are defined in the Accompanying Document). The Trustee shall establish a Series 2015-16 TRANs Repayment Fund (the "**Repayment Fund**") and any additional subaccounts therein to the extent provided in the Accompanying Document. The City shall cause to be deposited in the Repayment Fund all County Collected Revenues allocated or attributable to the City until the amounts deposited and held in the Repayment Fund, from any source, shall equal the total principal of and interest due on the Series 2015-16 TRANs as set forth in the Accompanying Document. The City does hereby grant a security interest in, convey, bargain, pledge, transfer and assign unto the Trustee, as security for the City's obligations under the Series 2015-16 TRANs, the Accompanying Document and the Trust Agreement, all of the City's right, title, and interest in and to the County Collected Revenues and Unrestricted Revenues, and the City further authorizes the Trustee to take any and all actions necessary or desirable to perfect the security interest granted hereby in the County Collected Revenues and Unrestricted Revenues pursuant to applicable law.

SECTION 9. To the extent that on the day immediately preceding the maturity date of the Series 2015-16 TRANs the total amount of County Collected Revenues deposited by the City into the Repayment Fund is less than the principal of and interest due on the Series 2015-16 TRANs as set forth in the Accompanying Document, the City shall deposit or cause to be deposited into the Repayment Fund additional amounts as needed from any other moneys of the City lawfully available therefor, including, but not limited to Unrestricted Revenues. As provided in the Authorizing Law, the Series 2015-16 TRANs, and the interest thereon, are a first lien and charge against, and are payable from all moneys received by the City from such Unrestricted Revenues. The County Collected Revenues shall be invested by the Trustee only in Permitted Investments (as defined in the Accompanying Document), shall be used to pay the principal of the Series 2015-16 TRANs and the interest thereon when the same shall become due and payable, and may not be used for any other purpose, except as provided herein. Any amounts remaining in the Repayment Fund after repayment of all principal of the Series 2015-16 TRANs, and the interest thereon, shall be the sole and exclusive property of the City, shall not be subject to any claims by the Trustee, or on behalf of any holder of Series 2015-16 TRANs, and shall be transferred to any account of the City as the City Manager may appropriately direct.

SECTION 10. That the City Manager, or any designee thereof, is authorized to execute and deliver a Tax Certificate (as defined in the Accompanying Document) obligating the City to comply with certain covenants in order to maintain the exclusion of interest on the Series 2015-16 TRANs from the gross income of the owners thereof for federal income tax purposes and such approval by the City Manager to be evidenced conclusively by the execution and delivery thereof.

SECTION 11. That the form of the Continuing Disclosure Agreement (the "**Continuing Disclosure Agreement**") by and between the City and U.S. Bank National Association, as dissemination agent thereunder, is hereby authorized. The City Manager is hereby authorized and empowered to execute and deliver the Continuing Disclosure Agreement. The Continuing Disclosure Agreement must be in form and substance satisfactory to the City

Manager and City Attorney and the execution of the Continuing Disclosure Agreement by such City Manager shall be conclusive evidence of such approval.

SECTION 12. That the form of the Direction Letter (the "**Direction Letter**"), attached hereto as **Exhibit E** and on file with the City Clerk, from the City to the County of Los Angeles, presented at this meeting is hereby approved and the City Manager is hereby authorized to execute the Direction Letter, with such additions thereto and changes therein as he, or his designee, deems necessary and appropriate and such approval to be evidenced conclusively by the execution and delivery thereof.

SECTION 13. That the adoption of Post Issuance Tax Compliance Procedures is hereby authorized and the City Manager is hereby authorized and empowered to develop, execute and deliver Post Issuance Tax Compliance Procedures in substantially the form attached hereto as **Exhibit F** and on file with the City Clerk and presented at this meeting and the City Manager is hereby authorized to execute the Post Issuance Tax Compliance Procedures, with such additions thereto and changes therein as he, or his designee, deem necessary and appropriate, to be executed by the City Manager subject to the approval of the City Attorney, and such approval to be evidenced conclusively by the execution and delivery thereof. The City Manager is hereby directed to implement and follow such adopted Post Issuance Tax Compliance Procedures. The Post Issuance Tax Compliance Procedures must be in form and substance satisfactory to the City Manager and City Attorney and the execution of the Post Issuance Tax Compliance Procedures by such City Manager shall be conclusive evidence of such approval.

SECTION 14. That the Authorized Officers (as hereinafter defined) of the City are hereby authorized and directed to pay all the fees and other costs of issuance of the Series 2015-16 TRANs in accordance with the Note Purchase Agreement and as otherwise agreed in writing with the City and the respective parties thereto.

SECTION 15. That the City Manager, the City Treasurer, the Controller and the City Clerk, and their designees (each, an "**Authorized Officer**"), upon advice of the City Attorney and Gonzalez Saggio and Harlan LLP, as Bond Counsel and Disclosure Counsel to the City, are hereby authorized and directed, jointly and severally, to do any and all things and to execute, modify and deliver any and all documents, agreements and certificates that they may deem necessary or advisable in order to effect the issuance, sale and delivery of the Series 2015-16 TRANs, and otherwise to carry out the purposes of this Resolution.

SECTION 16. That the Authorized Officers and the other officers of the City and their respective authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and to do and perform any and all acts and things, from time to time, consistent with this Resolution and the Accompanying Document and necessary or appropriate to carry the same into effect and to carry out their purposes. The execution of any such documents shall constitute conclusive evidence that the officer or official approved the form and content of the document.

SECTION 17. That copies of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Treasurer and the City Controller.

SECTION 18. 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:

_____
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

#21.

EXHIBIT A

ACCOMPANYING DOCUMENT

ACCOMPANYING DOCUMENT
PROVIDING FOR THE TERMS AND CONDITIONS
OF THE ISSUANCE AND SALE OF
THE CITY OF COMPTON
2015-16 TAX AND REVENUE ANTICIPATION NOTES

Dated as of July 1, 2015

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ACCOMPANYING DOCUMENT

PROVIDING FOR THE TERMS AND CONDITIONS OF ISSUANCE AND SALE OF 2015-16 TAX AND REVENUE ANTICIPATION NOTES

In connection with the issuance and sale of the 2015-16 Tax and Revenue Anticipation Notes issued by the City of Compton, California (the "City"), the City Manager of the City hereby certifies that such 2015-16 Tax and Revenue Anticipation Notes are issued on the following terms and conditions:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 101. **Definitions.** The following terms shall for all purposes of this Accompanying Document have the following meanings:

"Accredited Investor" shall mean an "accredited investor" within the meaning of Rule 501 (a) promulgated under the Securities Act of 1933, as amended (the "1933 Act").

"Auditor-Controller" shall mean the Auditor-Controller of the County of Los Angeles.

"Authorizing Law" shall mean collectively (1) Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended and (2) Section 1403 of the City Charter.

"Authorized Newspapers" shall mean The Bond Buyer and two other newspapers customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language and of general circulation, in the City of Compton, California and in the Borough of Manhattan, City and State of New York.

"Authorized Officer" shall mean each of the Mayor, the City Manager, the City Treasurer, the Controller and the City Clerk, and their designees.

"Business Day" shall mean any calendar day other than (i) a Saturday or Sunday; (ii) a day on which banking institutions are authorized or required by law to be closed for commercial banking purposes in either the State of New York or the State of California; or (iii) a day on which the New York Stock Exchange is closed.

"City" shall mean the City of Compton, California, its successors and assigns.

"City Charter" shall mean the duly enacted Charter of the City, as amended.

"City Clerk" shall mean the duly appointed person performing the duties of the City Clerk, or in the absence or inability of such person to act, any duly appointed deputy City Clerk.

"City Council" shall mean the duly elected or appointed members of the City Council of the City.

"City Manager" shall mean the City Manager of the City and any other person designated by the City Manager to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and all rules and temporary, proposed or final regulations from time to time promulgated thereunder.

"County" shall mean the County of Los Angeles, California.

"County Collected Revenues" shall mean the Vehicle License Fees, Sales and Use Tax and Property Tax — 1% of City of Compton TD#1 (Account #132.01) collected by the County on behalf of the City, attributable to the City's current Fiscal Year, which is July 1, 2015 through June 30, 20156and shall not include any Unavailable Revenue.

"Direction Letter" shall mean the Direction Letter dated July ___, 2015 from the City to the County.

"DTC" shall mean The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Event of Default" shall have the meaning assigned to such term in Section 503.

"Federal Securities" shall mean the following securities:

(i) United States Treasury bills, bonds, and notes for which the full faith and credit of the United States are pledged for payment of principal and interest;

(ii) Direct obligations issued by the following agencies of the United States Government: the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Tennessee Valley Authority;

(iii) Mortgage backed securities (except stripped mortgage securities) issued by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association;

(iv) United States Treasury Obligations, State and Local Government Series; and

(v) Issues guaranteed as to timely payment of principal and interest by the full faith and credit of the Federal Deposit Insurance Corporation.

"Fitch" shall mean Fitch Ratings, located at One State Street Plaza, New York, New York 10004, a corporation organized and existing under the laws of the State of New York, and its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than Moody's or S&P) designated by the City.

"General Fund" shall mean the General Fund of the City.

"Limited Offering Memorandum" shall mean the Limited Offering Memorandum relating to the 2015-16 TRANs, including any approved supplement or amendment thereto.

"Los Angeles County Treasury Pool" shall mean the County Treasury, in which the Treasurer-Tax Collector of the County of Los Angeles has the delegated authority to invest funds.

"Maturity Date" shall mean June 1, 2016 as set forth in Section 203 hereof.

"Moody's" shall mean Moody's Investors Service, located at 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, a corporation organized and existing under the laws of the State of Delaware, and its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than S&P or Fitch) designated by the City.

"Note Purchase Agreement" shall mean the agreement between the City and the Original Purchaser of the 2015-16 TRANs, together with any amendments thereto.

"Note Register" shall mean the registration books for the 2015-16 TRANs, maintained by the Note Registrar pursuant to Section 302.

"Note Registrar" shall mean U.S. Bank National Association or a substitute or successor Registrar appointed in accordance with this Accompanying Document.

"Opinion of Bond Counsel" shall mean a written opinion of any attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on bonds issued by states and political subdivisions thereof, and duly admitted to practice law before the highest court of any state of the United States of America.

"Original Purchaser" shall mean the Person, or Persons who are the purchaser from the City of the 2015-16 TRANs, upon the issuance thereof.

"Outstanding" when used with reference to the 2015-16 TRANs, shall mean, as of any date, all of the 2015-16 TRANs, issued under this Accompanying Document except:

(i) 2015-16 TRANs, cancelled on or prior to such date;

(ii) 2015-16 TRANs, for which other 2015-16 TRANs, shall have been delivered in lieu of or in substitution therefor pursuant to Article III hereof; and

(iii) 2015-16 TRANs, referred to in Section 305 hereof

"Owner" shall mean the Person in whose name any 2015-16 TRANs, is registered on the Note Register.

"Participant" shall mean an entity which is recognized as a participant by the Securities Depository in the book-entry system of maintaining records with respect to the 2014-15 TRANs, Series A.

"Permitted Investments" shall mean, to the extent permitted by law:

(i) Federal Securities;

(ii) Commercial Paper having original maturities of not more than the final maturity of the 2015-16 TRANs, payable in the United States of America and issued by corporations that are organized and operating in the United States with total assets in excess of $500 million and having an "A" or better rating for the issuer's long-term debt as provided by Moody's, S&P, or Fitch and "P-1", "A-1", "F1" or better rating for the issuer's short-term debt as provided by Moody's, S&P, or Fitch, respectively.

(iii) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which have short-term obligations outstanding which are rated by two Rating Agencies in their respective highest short-term rating categories, a long-term debt rating of not less than "A" by a Rating Agency, and a maturity no later than the final maturity of the 2015-16 TRANs, Series A.

(iv) Negotiable or non-negotiable certificates of deposit issued by a nationally-or state-chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state-licensed branch of a foreign bank, in each case which has, or which is a subsidiary of a parent company which has, obligations outstanding having a rating in the "A" category or better from S&P, Moody's, or Fitch.

(v) Any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association, or a state-licensed branch of a foreign bank, having a minimum permanent capital of one hundred million dollars ($100,000,000) and with short-term debt rated by two Rating Agencies in their respective three highest short-term rating categories or any government bond dealer reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities and obligations described in clause (i) of this definition and having maturities equal to or less than 5 years from the date of delivery, which shall have a market value (valued at least monthly) not less than 102% of the principal amount of such investment.

(vi) Shares of beneficial interest issued by diversified management companies, known as money market funds which invest in securities described in (i)—(v) above, registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) and whose fund has received the highest possible rating from S&P and at least one other Rating Agency.

(vii) Investment Agreements and Guaranteed Investment Contracts: obligations of any institution either (1) the long-term senior unsecured debt or claims-paying ability or financial strength of which, or of any unconditional guarantor of full and timely payment of its obligations thereunder, is rated at least "A-" by S&P or "A3" by Moody's or A-by Fitch, or alternatively, investment agreements and guaranteed investment contracts permitted by California law;

(viii) The Los Angeles County Treasury Pool;

(ix) The Local Agency Investment Fund created pursuant to Section 16429.1 of the Government Code of the State.

"Person" shall mean an individual, corporation, firm, association, partnership, trust or other legal entity, including a governmental entity or any agency or political subdivision thereof.

"Principal Office" shall mean (i) with respect to the City Manager, the principal office of the City Manager in Compton, California, and (ii) with respect to the Trustee, the principal corporate trust office of the Trustee in Seattle, Washington, or the principal corporate trust office of any successor Trustee, provided that for purposes of the surrender, transfer, exchange, payment or registration of the 2015-16 TRANs, the term "Principal Corporate Trust Office" shall mean the designated corporate trust office of the Registrar.

"Rating Agency" shall mean Moody's, S&P, Fitch or any other nationally recognized securities rating agency designated by the City.

"2015-16 TRANs Repayment Fund" shall mean the 2015-16 TRANs Repayment Fund created pursuant to this Accompanying Document and caused to be kept by the Trustee for collection and deposit of County Collected Revenue, and other funds so directed for deposit by the City Manager, for the repayment of the 2015-16 TRANs, including amounts held in the 2015-16 TRANs Repayment Fund and invested in Permitted Investments established in accordance with the Resolution and described in Section 402.

"Repayment Amount" shall mean an amount not to exceed $_____, which amount shall be sufficient to pay principal of and interest on the Notes when due.

"Representation Letter" shall mean one or more letters of representation from the City to, or other instruments or agreements of the City with, a Securities Depository in which the City, among other things, makes certain representations to such Securities Depository with respect to the 2015-16 TRANs, the payment thereof and delivery of notices with respect thereto.

"Resolution" shall mean the "A Resolution of the Council of The City of Compton, California Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes for Fiscal Year 2015-16 in an Aggregate Principal Amount not to exceed $126000,000," adopted on July ___, 2015 as from time to time amended by any Supplemental Resolution in accordance with the terms hereof.

"S&P" shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., located at 55 Water Street, New York, New York 10041, a corporation organized and existing under the laws of the State of New York, and its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than Fitch or Moody's) designated by the City.

"Securities Depository" shall mean DTC or any successor as Securities Depository for the 2015-16 TRANs, appointed pursuant to Section 202.

"State" shall mean the State of California.

"Supplemental Document" shall mean any supplemental document amending or supplementing this Accompanying Document in accordance with Article VII.

"Supplemental Resolution" shall mean any resolution amending the Resolution, adopted by the City in accordance with Article VII.

"Tax Certificate" shall mean the Tax Certificate executed by the City on the date of issuance and delivery of the 2015-16 TRANs, as amended from time to time.

"Trust Agreement" shall mean the Trust Agreement dated as of July 1, 2015 by and between the City and the Trustee, together with any authorized amendments thereof or supplements thereto permitted to be made thereunder.

"Trustee" shall mean U.S. Bank National Association a national banking association organized and existing under the laws of the United States of America

"2015-16 TRANs" shall mean all of the City's 2015-16 Tax and Revenue Anticipation Notes authorized pursuant to the Resolution and issued in accordance with the terms and conditions of this Accompanying Document and the Resolution pursuant to Section 203.

"2015-16 TRANs Proceeds Fund" shall mean the 2015-16 TRANs Proceeds Fund established pursuant to Section 401 hereof.

"2015-16 TRANs Repayment Fund" shall mean the 2015-16 TRANs Repayment Fund established pursuant to Section 402 hereof.

"Underwriter" shall mean IFS Securities, Inc. or any successor thereto.

"Unavailable Revenue" shall mean the revenue described under Section 402 of this Accompanying Document.

"Unrestricted Revenues" shall mean the revenues pledged by the City under the Authorizing Law and pursuant to the Resolution, and described in Section 402, for the security and payment of the 2015-16 TRANs, including the interest thereon in accordance with the provisions herein, whether or not such taxes, income, revenue, cash receipts or other moneys are deposited in the 2015-16 TRANs Repayment Fund and as so described under Section 402 of this Accompanying Document.

"Written Direction" shall mean a written direction from an Authorized Officer.

Section 102. **Other Definitional Provisions.** Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa. Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof. Unless otherwise indicated, all references herein to "Articles," "Sections" or other subdivisions are to the corresponding Articles, Sections or subdivisions of this Accompanying Document; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Accompanying Document as a whole and not to any particular Article, Section or subdivision hereof.

Section 103. **Authority for Accompanying Document.** This Accompanying Document is executed and delivered pursuant to and in connection with the Resolution.

Section 104. **Timing of Actions.** Whenever in this Accompanying Document there is designated a time of day at or by which a certain action must be taken, such time shall be local time in New York, New York except as otherwise specifically provided herein.

Section 105. **Accompanying Document to Constitute Contract.** In consideration of the purchase and acceptance of any and all of the 2015-16 TRANs to be issued hereunder by the Owner from time to time, this Accompanying Document shall be deemed to be and shall constitute a contract between the City and the Owner from time to time of the 2015-16 TRANs . The pledge made in this Accompanying Document and the covenants and agreements herein set forth to be performed by and on behalf of the City shall be for the equal benefit, protection and security of the Owner of any and all of the 2015-16 TRANs, all of which shall be of equal rank without preference, priority, privilege or distinction of any of the 2015-16 TRANs over any other thereof, except as expressly provided in or permitted by this Accompanying Document.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF2015-16 TRANs, Series A

Section 201. **Authorization, Form and Date of2015-16 TRANs, Series A.**

1. The 2015-16 TRANs have been authorized to be issued pursuant to the Resolution and are entitled to the benefit, protection and security thereof. The 2015-16 TRANs

shall be issued in an aggregate principal amount of $_____ and shall bear interest as set forth in Section 203. The 2015-16 TRANs shall be issued in anticipation of the receipt by the City of Unrestricted Revenues attributable to the City's current Fiscal Year, which is July 1, 2015 to June 30, 2016. Such notes shall be designated as, and shall be securities distinguished from all other issues of the City by the title "2015-16 Tax and Revenue Anticipation Notes" or "2015-16 TRANs."

2. The 2015-16 TRANs shall be issued in fully registered form, without coupons and in the principal amount of the Notes in book-entry only form pursuant to Section 202 of this Accompanying Document. The City hereby certifies and recites that all acts, conditions and things required by law, the Resolution and this Accompanying Document to exist, to have happened, and to have been performed precedent to and during the issuance of the 2015-16 TRANs do exist, have happened and have been performed in due time, form and manner, as required by law and the Resolution and this Accompanying Document. The 2015-16 TRANs shall be in substantially the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2015-16 TRANs.

3. Interest shall be payable on the Maturity Date to the Owner at the address as it appears in the Note Register or, at the request of an Owner, by wire transfer of immediately available funds in lawful money of the United States of America, at maturity. Except as otherwise provided in a Representation Letter, principal of and interest on the 2015-16 TRANs due at the maturity date shall be payable in lawful money of the United States of America upon surrender of the 2015-16 TRANs at the Principal Office of the Trustee. The 2015-16 TRANs so surrendered to the Trustee on any Business Day at or prior to 12:00 noon time at the office of the Trustee, shall be paid in funds immediately available on such Business Day. The 2015-16 TRANs so surrendered to the Trustee on any Business Day after 12:00 noon shall be paid on the next succeeding Business Day in funds immediately available on such succeeding Business Day.

4. The 2015-16 TRANs shall not be subject to redemption prior to maturity.

Section 202. **Book-Entry Notes.**

1. Subject to any limitation on maximum principal amount imposed by DTC, the 2015-16 TRANs shall be initially issued in the form of a fully registered, single note without coupons, in denominations of $100,000, and upon initial issuance, the ownership of such 2015-16 TRANs shall be registered in the Note Register in the name of Cede & Co., as nominee of DTC, the initial Securities Depository. Except as provided in subsection 5 of this Section, all of the 2015-16 TRANs shall be registered in the Note Register in the name of Cede & Co., or such other nominee of DTC or any successor Securities Depository or the nominee thereof, as shall be specified pursuant to a Representation Letter.

2. With respect to2015-16 TRANs, registered in the Note Register in the name of the Securities Depository, or its nominee, the City and the Trustee shall have no responsibility or obligation to any Participant or to any Person on behalf of which such a Participant holds an interest in any such 2015-16 TRANs. Without limiting the immediately preceding sentence, the City and the Trustee shall have no responsibility, obligation or liability

with respect to (a) the accuracy of the records of the Securities Depository, the nominee of the Securities Depository or any Participant with respect to any ownership interest in the 2015-16 TRANs, (b) the delivery to any Participant or any other Person, other than an Owner as shown in the Note Register, of any notice with respect to the 2015-16 TRANs, or (c) the payment to any Participant or any other Person, other than an Owner as shown in the Note Register, of any amount with respect to principal of or interest on the 2015-16 TRANs. The City may treat and consider the Person in whose name any 2015-16 TRANs is registered in the Note Register as the Owner and absolute owner of such 2015-16 TRANs, for the purpose of payment of principal of and interest on such 2015-16 TRANs, and for all other purposes whatsoever.

3. The Trustee shall pay all principal of and interest on the 2015-16 TRANs, only to or upon the order of the Owner, as shown in the Note Register on the Maturity Date thereof, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy and discharge fully the obligations with respect to the payment of principal of and interest on the 2015-16 TRANs, under this Accompanying Document and the 2015-16 TRANs, to the extent of the sums so paid. Upon delivery by the Securities Depository to the City Manager of written notice to the effect that the Securities Depository has determined to substitute a new nominee, the word "nominee" in this Accompanying Document shall refer to such new nominee of the Securities Depository.

4. In order to qualify the 2015-16 TRANs for the Securities Depository's book-entry system, the City Manager has been authorized to execute and deliver, or has executed and delivered, on behalf of the City to the Securities Depository a Representation Letter or Representation Letters representing such matters as shall be necessary to so qualify such 2015-16 TRANs. The execution and delivery of the Representation Letter or Representation Letters shall not in any way limit the provisions of subsection 2 of this Section or in any other way impose upon the City any obligation or liability whatsoever with respect to Persons having interests in the 2015-16 TRANs, other than the Owner as shown in the Note Register. In addition to the execution and delivery of the Representation Letter or Representation Letters, the City Manager and all other officers of the City, and their authorized representatives, are each hereby authorized and directed to take any other actions as they deem necessary or desirable, not inconsistent with this Accompanying Document, to qualify such 2015-16 TRANs, for the Securities Depository's book-entry program.

5. In the event (a) the incumbent Securities Depository determines not to continue to act as Securities Depository for the 2015-16 TRANs, or (b) the City determines that the incumbent Securities Depository shall no longer so act, and delivers a written certificate to the incumbent Securities Depository to that effect, then the City will discontinue the book-entry system for the 2015-16 TRANs with the incumbent Securities Depository. If the City determines to replace the incumbent Securities Depository with another qualified Securities Depository, the City shall prepare or direct the preparation of and execute, and the Trustee shall authenticate and deliver, subject to any limitation on maximum principal amount imposed by the successor Securities Depository, a new single, separate fully-registered note (which may be typewritten) for the aggregate outstanding principal amount of the 2015-16 TRANs, held by the incumbent Securities Depository, registered in the name of such successor or substitute qualified Securities Depository or its nominee, or make such other arrangement reasonably acceptable to the City

and the successor Securities Depository as are not inconsistent with the terms of this Accompanying Document. If the City fails to identify another qualified successor Securities Depository to replace the incumbent Securities Depository, then the 2015-16 TRANs shall no longer be restricted to being registered in the Note Register in the name of the Securities Depository or its nominee, but shall be registered in whatever name or names the Securities Depository or its nominee shall designate. In such event the City shall prepare or direct the preparation of and execute, and the Trustee shall authenticate and deliver to the Owner thereof, such 2015-16 TRANs as are necessary or desirable to carry out the transfers and exchanges provided in this Section and Section 302. All such 2015-16 TRANs shall be in fully registered form in the denomination authorized pursuant to Section 201.

6. Notwithstanding any other provision of this Accompanying Document to the contrary, so long as any 2015-16 TRAN is registered in the name of the Securities Depository or its nominee, all notices and payments with respect to principal of and interest on such 2015-16 TRANs, shall be given and made, respectively, as provided in a Representation Letter or as otherwise instructed by the Securities Depository.

Section 203. **Terms of the 2015-16 TRANs.** The 2015-16 TRANs shall be dated the date of issuance and delivery thereof. Interest shall be paid on the Maturity Date for the 2015-16 TRANs. The 2015-16 TRANs shall bear interest computed on the basis of a 360-day year comprised of 12 months of 30 days each. The 2015-16 TRANs shall mature on June 1, 2016 and bear interest at the rate of ___percent (___%) per annum.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF 2015-16 TRANs

Section 301. **Execution of 2015-16 TRANs; Authentication.**

1. The 2015-16 TRANs shall be executed in the name of the City by the manual or facsimile signature of the City Manager and the City Clerk of the City, and the City's seal shall be impressed, imprinted, engraved or otherwise reproduced thereon. No 2015-16 TRANs shall be entitled to any benefit under the Resolution or this Accompanying Document or be valid or obligatory for any purpose, unless there appears on such 2015-16 TRAN, a certificate of authentication substantially in the form provided for herein executed by the manual signature of the Trustee. Such certificate upon any 2015-16 TRAN, shall be conclusive evidence, and the only evidence, that such 2015-16 TRAN, has been duly issued, authenticated and delivered hereunder.

2. In case any one or more of the officers who shall have signed or sealed any of the 2015-16 TRANs, shall cease to be such officer before the 2015-16 TRANs so signed and sealed shall have been issued, such 2015-16 TRANs, so signed and sealed may nevertheless be issued, as herein provided, as if such persons who signed or sealed such 2015-16 TRANs had not ceased to hold such offices. Any of the 2015-16 TRANs may be signed and sealed on behalf of the City by such persons as at the time of the execution of such 2015-16 TRANs shall be duly

authorized to hold or shall hold the proper office in the City, although on the date borne by the 2015-16 TRANs, such persons may not have been so authorized or have held such office.

Section 302. **Negotiability, Transfer and Exchange.**

1. The Note Registrar shall keep at its Principal Office sufficient books for the registration of transfer and exchange of the 2015-16 TRANs as to which it serves as Note Registrar, which shall at all times be open to inspection by the City, and upon presentation for such purpose the Note Registrar shall, under such reasonable regulations as it may prescribe, register or transfer 2015-16 TRANs on such books as hereinafter provided.

2. The 2015-16 TRANs shall be initially held by, and subsequently transferred to, only an Accredited Investor and the maximum number of Accredited Investor Owners shall be thirty-five (35). Prior to purchasing any 2015-16 TRAN, each holder of the 2015-16 TRANs shall execute an Investment Letter, the form of which is attached to the Limited Offering Memorandum as an exhibit. The 2015-16 TRANs may not be transferred or exchanged except as provided herein.

3. The City and the Trustee may deem and treat the Owner of any 2015-16 TRANs as the absolute owner of such 2015-16 TRANs, regardless of whether such 2015-16 TRANs, shall be overdue, for the purpose of receiving payment thereof and for all other purposes, and all such payments so made to any such Owner or upon such Owner's order shall be valid and effective to satisfy and discharge the liability upon such 2015-16 TRANs, to the extent of the sum or sums so paid, and neither the City nor any Trustee shall be affected by any notice to the contrary. The City agrees, to the extent permitted by law, to indemnify and hold the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under this Accompanying Document, in so treating such Owner.

4. The 2015-16 TRANs shall not be exchangeable for other 2015-16 TRANs, except as provided in Section 202, this Section 302 and Section 303.

Section 303. **2015-16 TRANs, Mutilated, Destroyed, Stolen or Lost.** In case any 2015-16 TRANs shall become mutilated or be destroyed, stolen or lost, the City shall issue new 2015-16 TRANs, of like principal amount, denomination and tenor as the 2015-16 TRANs, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated 2015-16 TRANs, or in lieu of and substitution for the 2015-16 TRANs, destroyed, stolen or lost, upon the filing with the Trustee and the City of evidence satisfactory to the Trustee and the City that such 2015-16 TRANs have been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Trustee and the City with indemnity satisfactory to the Trustee and the City and complying with such other reasonable regulations as the Trustee and the City may prescribe and paying such expenses as the Trustee and the City may incur. All 2015-16 TRANs so surrendered shall be cancelled. Any such substitute 2015-16 TRANs shall constitute original contractual obligations on the part of the City, whether or not the 2015-16 TRANs alleged to be destroyed, stolen or lost are at any time enforceable by anyone. Such substitute 2015-16 TRANs shall be equally secured by and entitled to equal and proportionate benefits with all other 2015-16 TRANs issued under the Resolution and this Accompanying Document in any moneys or securities held by the City or the Trustee for the benefit of the Owner of the 2015-16 TRANs.

Section 304. **Cancellation of the 2015-16 TRANs.** All 2015-16 TRANs which at or after maturity are surrendered to the Trustee for the collection of the principal thereof and interest thereon shall be cancelled by the Trustee and forthwith destroyed by the Trustee. The Trustee shall promptly deliver to the City a certificate specifying the cancellation of such 2015-16 TRANs. In all matters provided for in this Section, the City shall act through the City Manager.

Section 305. **2015-16 TRANs Held by City.** If the City shall become the Owner of any 2015-16 TRANs, such 2015-16 TRANs shall no longer be deemed Outstanding and shall be surrendered to the Trustee for cancellation; provided, however, that the City shall not be deemed to be the Owner of any 2015-16 TRANs, held by it in a fiduciary capacity.

ARTICLE IV

ESTABLISHMENT OF 2015-16 TRANs PROCEEDS FUND AND REPAYMENT FUND AND APPLICATION THEREOF

Section 401. **Use of Proceeds of 2015-16 TRANs.**

1. The City Manager shall cause the Trustee to establish and the Trustee shall establish the "2015-16 TRANs Proceeds Fund." The proceeds of sale of the 2015-16 TRANs shall be transferred to the Trustee and deposited in the 2015-16 TRANs Proceeds Fund. The City Manager shall cause the Trustee to make disbursements and the Trustee shall make disbursements from the 2015-16 TRANs Proceeds Fund to pay current Fiscal Year 2015-16 expenditures and to discharge other obligations or indebtedness of the City in accordance with the Authorizing Law and the provisions of the Tax Certificate. Amounts on hand in the 2015-16 TRANs Proceeds Fund shall be accounted for separately from the other funds of the Trustee in accordance with standard accounting practices of the Trustee for such a separate account and shall be invested in Permitted Investments, so as to be available for the aforementioned disbursements. The Trustee shall keep a written record of all investments and investment earnings (including any investment of earnings) of amounts in the 2015-16 TRANs Proceeds Fund, as well as a written record of disbursements from the 2015-16 TRANs Proceeds Fund.

2. Without limiting the generality of subsection 1 of this Section, the City Manager is authorized to cause the Trustee to pay the fees and reasonable expenses incurred in connection with the authorization, sale and issuance of the 2015-16 TRANs out of moneys in the 2015-16 TRANs Proceeds Fund or any account in the General Fund of the City.

Section 402. **Payment and Security for the 2015-16 TRANs.** Pursuant to the Resolution, the City Manager shall cause to be established by the Trustee the "2015-16 TRANs Repayment Fund." The City Manager shall cause to be established by the Trustee any additional subaccounts therein if deemed necessary to effectuate the purposes of the Resolution. Amounts on hand in the 2015-16 TRANs Repayment Fund shall be accounted for separately from the other funds of the Trustee in accordance with standard accounting practices of the Trustee for such a separate account and shall be invested in Permitted Investments, so as to be available for use of any authorized disbursements. As provided in the Authorizing Law, the 2015-16 TRANs, and the interest thereon, are general obligations of the City, payable from certain unencumbered moneys, including the taxes, income, revenues, cash receipts, and other moneys deposited in inactive or

term deposits, received or accrued by the City during Fiscal Year 2015-16 that are lawfully available for such purpose (collectively, the "Unrestricted Revenue"). Taxes, income, revenues, cash receipts and other moneys received by the City and encumbered for a special purpose shall not be available for payment of the 2015-16 TRANs (the "Unavailable Revenue"), unless an equivalent amount of the proceeds from the 2015-16 TRANs is set aside for and used for said special purpose. Unavailable Revenue shall include, but not be limited to: funds collected by or on behalf of the City for the City retirement fund, water fund and street lighting fund.

Section 403. **County Collected Revenues.** Pursuant to the Resolution, the Authorizing Law, this Accompanying Document and the Letter of Direction, the City has authorized the County to send to the Trustee (by wire or ACH transfer) for deposit, and the Trustee to accept and deposit, into the 2015-16 TRANs Repayment Fund, 100% of the County Collected Revenues on a monthly basis in accordance with this Section 403 and the transfer instructions set forth in the Letter of Direction and Exhibit C thereto.

The City has further directed the County to deliver to the Trustee all County Collected Revenues, and any other funds so directed for deposit by the City Manager, for deposit in the 2015-16 TRANs Repayment Fund held by the Trustee, for subsequent application per the terms of the Trust Agreement, until such time as the total amounts deposited and held in the 2015-16 TRANs Repayment Fund, from any source, equal the Repayment Amount.

To the extent that any amounts received pursuant to the foregoing paragraphs are less than the Repayment Amount, the City Manager shall cause to be deposited into, and the Trustee shall deposit into the 2015-16 TRANs Repayment Fund, no later than the Business Day prior to the Maturity Date, Unrestricted Revenues, and additional amounts from any other moneys of the City lawfully available therefor, until the amount on deposit in the 2015-16 TRANs Repayment Fund equals the Repayment Amount. To the extent any 2015-16 TRANs is not paid from the County Collected Revenue, such 2015-16 TRANs shall be paid, with the interest thereon, from Unrestricted Revenues, and any other moneys of the City lawfully available therefor. As provided in the Authorizing Law, the 2015-16 TRANs, and the interest thereon, are a first lien and charge against and are payable from the first moneys received by the City from such pledged moneys.

On the Maturity Date, the City shall cause the Trustee to pay and the Trustee shall pay from the 2015-16 TRANs Repayment Fund the principal and interest due on the 2015-16 TRANs so maturing on the Maturity Date, and such moneys in the 2015-16 TRANs Repayment Fund may not be used for any other purpose, although earnings may be invested in Permitted Investments so as to be available for disbursement and in no event for a term that exceeds the term of the 2015-16 TRANs, and earnings on amounts in the 2015-16 TRANs Repayment Fund shall be deposited as and when received into any account in the General Fund of the City as the City Manager may direct in a Written Direction. Any amounts remaining in the 2015-16 TRANs Repayment Fund after payment in full of principal of and interest on the 2015-16 TRANs, shall be the sole and exclusive property of the City, shall not be subject to any claims by or on behalf of any Owner of 2015-16 TRANs, and shall be transferred by the Trustee to the City for deposit into any account in the General Fund of the City as the City Manager may direct in a Written Direction.

The City does hereby grant a security interest in, convey, bargain, pledge, transfer and assign unto the Trustee, all of the City's right, title, and interest in and to the Unrestricted Revenues, including the County Collected Revenues, whether or not such County Collected Revenues or Unrestricted Revenues have been deposited into the 2015-16 TRANs Repayment Fund, and the City will cause the security interest granted hereby in the Unrestricted Revenues to be perfected, pursuant to applicable law. Upon the final payment of the principal of and interest on the 2015-16 TRANs, the security interest created herein shall automatically terminate and the Trustee is directed to make appropriate filings to evidence such termination.

ARTICLE V

CERTAIN COVENANTS; EVENTS OF DEFAULT AND REMEDIES

Section 501. **General Covenants and Representations.**

1. The City 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 City under the provisions of the Authorizing Law, the Resolution, the Trust Agreement, the Direction Letter and this Accompanying Document.

2. Upon the date of issuance of the 2015-16 TRANs all conditions, acts and things required of the City by law, the Resolution and this Accompanying Document to exist, to have happened and to have been performed precedent to and during the issuance of the 2015-16 TRANs, shall exist, shall have happened and shall have been performed, in due time, form and manner, and the issue of the 2015-16 TRANs, together with all other indebtedness of the City, shall be within all applicable debt and other limits prescribed by the laws of the State as of the date of such issuance.

3. The 2015-16 TRANs do not exceed, and the City shall not issue any notes, or otherwise incur any indebtedness, pursuant to the Authorizing Law with respect to Fiscal Year 2015-16 in an amount which, when added to the interest payable thereon, shall exceed, either 85% of the estimated amount of the then-uncollected taxes, income, revenue, cash receipts and other moneys of the City which will be available for the payment of said notes or other indebtedness and the interest thereon; provided, however, that to the extent that any principal of or interest on such notes or other indebtedness is secured by a pledge of the amount in any inactive or term deposit of the City, the term of which shall terminate during said Fiscal Year, such principal and interest may be disregarded in computing said limit.

Section 502. **Covenants Relating to the Code.**

The City shall do the following with respect to the 2015-16 TRANs:

1. The City shall comply with each applicable requirement of the Code necessary to maintain the exclusion of interest on the 2015-16 TRANs from gross income for federal income tax purposes. To this end, the City agrees to comply with the provisions of the Tax Certificate. The City shall make all calculations as provided in the Tax Certificate relating to

any rebate of excess investment earnings on the 2015-16 TRANs proceeds due to the United States Department of Treasury in a reasonable and prudent fashion and shall segregate and set aside the amounts such calculations indicate may be required to be paid to the United States Department of Treasury.

2. Notwithstanding any other provisions of this Accompanying Document to the contrary, so long as necessary to maintain the exclusion from gross income of interest on the 2015-16 TRANs, for federal income tax purposes, the covenants contained in this Section shall survive the payment of the 2015-16 TRANs, and the interest thereon.

3. Notwithstanding any other provision of this Accompanying Document to the contrary, upon the City's material failure to observe or refusal to comply with the covenants contained in this Section, the Owner, and any adversely affected former Owner, shall be entitled to the rights and remedies provided to Owner under this Accompanying Document.

Section 503. **Events of Default and Remedies.**

1. The following shall be Events of Default under the Resolution and this

Accompanying Document and the term "Event of Default" whenever used in this Accompanying Document shall mean any one or more of the following:

(a) default shall be made in the due and punctual payment of the principal of, or interest on any 2015-16 TRANs when and as the same shall become due and payable; or

(b) default shall be made in the performance or observance by the City of any other of the material covenants, agreements or conditions required to be performed or observed by the City pursuant to the Resolution, this Accompanying Document or any 2015-16 TRANs, and such default shall continue for a period of 60 days after written notice thereof to the City by the Owner of not less than 10% in principal amount of the 2015-16 TRANs Outstanding.

2. Whenever any Event of Default shall have happened and shall be continuing, the Owner, and any adversely affected former Owner, of the 2015-16 TRANs, and their legal representatives, shall be entitled to take any and all actions available at law or in equity to enforce the performance of the covenants herein and in the Authorizing Law. Nothing herein shall preclude an individual Owner from enforcing his or her rights to payment of principal of or interest on 2015-16 TRANs.

ARTICLE VI

SUPPLEMENTAL RESOLUTIONS AND ACCOMPANYING DOCUMENT

Section 601. **Supplemental Resolutions and Accompanying Document Effective Without Consent of the Owner.** A Supplemental Resolution of the City may be adopted, or a supplemental Accompanying Document may be executed, for any one or more of the following

purposes, which, without the requirement of consent of the Owner, shall be fully effective in accordance with its terms:

(a) to add to the covenants and agreements of the City in the Resolution or this Accompanying Document, as the case may be, other covenants and agreements to be observed by the City that are not contrary to or inconsistent with the Resolution or this Accompanying Document as theretofore in effect;

(b) to add to the limitations and restrictions in the Resolution or this Accompanying Document as the case may be, other limitations and restrictions to be observed by the City that are not contrary to or inconsistent with the Resolution or this Accompanying Document as theretofore in effect;

(c) to confirm as further assurance, any pledge under, and subject to any lien or pledge created or to be created by, the Resolution or this Accompanying Document, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution or this Accompanying Document;

(d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution or this Accompanying Document, as the case may be, as theretofore in effect; and

(e) to supplement or amend the Resolution or this Accompanying Document, as the case may be, in any other respect, provided that the City obtains an Opinion of Bond Counsel to the effect that such Supplemental Resolution or supplemental Accompanying Document does not adversely affect the interests of the Owner.

Section 602. **Supplemental Accompanying Document.** Except as provided in Section 601 hereof, any amendment of or supplement to this Accompanying Document and of the rights and obligations of the City and of the Owner of the 2015-16 TRANs under this Accompanying Document may be made by a supplemental Accompanying Document with the written consent of the Owner of at least a majority in principal amount of the 2015-16 TRANs Outstanding at the time such consent is given; provided, however, that if such supplement or amendment will, by its terms, not take effect so long as any 2015-16 TRANs of any particular Series remain Outstanding, the consent of the Owner of such Series shall not be required. No such supplement or amendment shall permit a change in the terms of maturity of the principal of any 2015-16 TRANs, or of the interest rate thereon or a reduction in the principal amount thereof, or shall change the dates or amounts of the pledges set forth in Section 402, or shall reduce the percentage of Owners required to approve any such supplemental Accompanying Document, without the consent of all of the Owners of affected 2015-16 TRANs, nor shall any such supplement or amendment change or modify any of the rights or obligations of any Trustee, if applicable, without its written consent thereto. The City shall provide the Rating Agencies notice of any supplemental Accompanying Document or Supplemental Resolution.

ARTICLE VII

MISCELLANEOUS

Section 701. **Moneys Held in Trust for One Year.** Anything in this Accompanying Document to the contrary notwithstanding, any moneys held in trust for the payment and discharge of any of the 2015-16 TRANs that remain unclaimed for a period of one year after the date when such 2015-16 TRANs have become due and payable, if such moneys were so held at such date, or for one year after the date of deposit of such moneys if deposited after the date when such 2015-16 TRANs, became due and payable, shall be repaid to the City, as its absolute property and free from trust, and the Owner shall thereafter look only to the City for the payment of such 2015-16 TRANs, from lawfully available funds; provided, however, that before any such payment is made to the City, the City shall create (and shall thereafter maintain until payment of all of the 2015-16 TRANs) a record of the amount so repaid, and the City shall cause to be published at least twice, at any interval of not less than seven days between publications, in the Authorized Newspapers, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed shall be returned to the City.

Section 702. **Certified Copies.** The City Clerk shall provide a certified copy of this Accompanying Document to the City Manager who is hereby authorized and directed to take such action as shall be necessary to assure compliance by the City with the terms and conditions hereof.

Section 703. **Funds, Accounts and Subaccounts.** Any fund, account or subaccount required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account, subaccount or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account, subaccount or a fund; but all such records with respect to all such accounts, subaccounts and funds shall at all times be maintained in accordance with sound corporate trust industry practice and with due regard for the protection of the security of the 2015-16 TRANs, and the rights of the Owners with respect to the 2015-16 TRANs.

Section 704. **Article and Section Headings and References.** The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder" and other words of similar import refer to this Accompanying Document as a whole and not to any particular article, section, subdivision or clause hereof.

Section 705. **Partial Invalidity.** If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the City or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of

the 2015-16 TRANs and the Owner with respect to the 2015-16 TRANs shall retain all the benefit, protection and security afforded to them hereunder or any applicable provisions of law. The City and the Trustee hereby declare that they would have executed and delivered this Accompanying Document and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the 2015-16 TRANs pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 706. **Execution in Several Counterparts.** This Accompanying Document may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the City and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 707. **Governing Law.** This Accompanying Document shall be interpreted, governed and enforced in accordance with the laws of the State of California. If any party to this Accompanying Document initiates any legal or equitable action to enforce the terms of this Accompanying Document, to declare the rights of the parties under this Accompanying Document or which relates to this Accompanying Document in any manner, each such party agrees that the place of making and for performance of this Accompanying Document shall be Los Angeles County, State of California, and the proper venue for any such action shall be the Superior Court of the State of California, in and for the County of Los Angeles.

Section 708. **Notices.** All approvals, authorizations, consents, demands, designations, notices, offers, requests, statements or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States first class mail, postage prepaid or if sent by overnight delivery service.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, I have set my hand onto this Accompanying Document Providing for the Terms and Conditions of Issuance and Sale of 2015-16 Tax and Revenue Anticipation Notes dated as of the day and year first above written.

CITY OF COMPTON

By: _____

Johnny Ford
City Manager

[Signature Page to 2015-16 TRANs Accompanying Document]

APPROVED AS TO FORM

CRAIG J. CORNWELL

By: _____

Craig J. Cornwell

City Attorney

[Signature Page to 2015-16 TRANs Accompanying Document]

#21.

ACKNOWLEDGED AND AGREED TO BY:

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By:_____

Authorized Officer

[Signature Page to 2015-16 TRANs Accompanying Document]

ACKNOWLEDGED AND AGREED TO BY: COUNTY OF LOS ANGELES

By: _____

Auditor-Controller

[Signature Page to 2015-16 TRANs Accompanying Document]

EXHIBIT B

NOTE PURCHASE AGREEMENT

(NPA w/o attachments)

$_____

CITY OF COMPTON, CALIFORNIA

2015-16 TAX AND REVENUE ANTICIPATION NOTES

NOTE PURCHASE AGREEMENT

_____ __, 2015

City of Compton, California
205 S. Willowbrook Avenue
Compton, California 90220

IFS Securities, Inc.
3414 Peachtree Road, N.E., Suite 1020
Atlanta, Georgia 30326

Ladies and Gentlemen:

IFS Securities, Inc (the "Underwriter"), hereby offers to enter into this Note Purchase Agreement (this "Note Purchase Agreement") with the City of Compton (the "City"), a municipal corporation organized and existing under the Charter of the City, as amended (the "City Charter") and the Constitution and laws of the State of California (the "State"), for the purchase by the Underwriter and the sale by the City of the Notes (as hereinafter defined) referred to in Section 1 hereof which upon written acceptance of this offer will be binding upon the City and the Underwriter. This offer is made subject to the written acceptance hereof by the City and the Underwriter on or before 5:00 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City. Upon such acceptance, execution and delivery, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter. This Agreement is effective as of the date set forth above (the "Effective Date").

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agree to purchase from the City, and the City hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the $_____ aggregate principal amount of the City of Compton, California 2015-16 Tax and Revenue Anticipation Notes (the "Notes") issued pursuant to a resolution adopted by the City Council of the City on July __, 2015 entitled "A Resolution of the Council of the City of Compton, California Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes for Fiscal Year 2015-16 in an Aggregate Principal Amount Not to Exceed $_____" (the "Resolution") and subject to the terms and conditions set forth in the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2015-16 Tax and Revenue Anticipation Notes dated as of July 1, 2015 (the "Accompanying Document"). The Notes shall be dated July ___, 2015, shall mature on June 1, 2016 and bear interest at ____% per annum. The purchase price for the Notes shall be ____% of the principal amount of the Notes.

Section 1. **Purchase and Sale of the Notes and the Limited Offering Memorandum.**

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agree to purchase from the City, and the City hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the $_____ aggregate principal amount of the City of Compton, California 2015-16 Tax and Revenue Anticipation Notes (the "Notes") issued pursuant to a resolution adopted by the City Council of the City on July 22, 2014 entitled "A Resolution of the Council of the City of Compton, California Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes for Fiscal Year 2015-16 in an Aggregate Principal Amount Not to Exceed $_____" (the "Resolution") and subject to the terms and conditions set forth in the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2015-16 Tax and Revenue Anticipation Notes dated as of July 1, 2015 (the "Accompanying Document"). The Notes shall be dated July ___, 2014, shall mature on June 1, 2016 and bear interest at ____% per annum. The purchase price for the Notes shall be ____% of the principal amount of the Notes.

(b) Notes shall be as described in the Accompanying Document, and shall be issued and secured under and pursuant to the provisions of Section 1403 of the City Charter, together with Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (collectively, the "Authorizing Law"), the Resolution and the Trust Agreement, dated as of July 1, 2015 (the "Trust Agreement") by and between the City and U.S. Bank National Association, as trustee (the "Trustee").

(c) Upon the terms and conditions and in reliance on the representations, warranties and covenants contained in this Purchase Agreement, the Underwriter agrees to purchase from the City and the City hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the $_____ City of Compton, California 2015-16 Tax and Revenue Anticipation Notes at the Purchase Price set forth below. The purchase price for the Notes shall be $_____ (which price represents the par amount of $_____, less an underwriters' discount of $_____, **[plus][less]** net original issue [premium][discount] of $_____) [plus accrued interest, if any, to the Closing Date] (the "Series 2015-16 Purchase Price");

(d) The Purchase Price of the Notes shall be payable by the Underwriter to the City on the Closing Date (as defined herein), by wire transfer of Federal Funds as provided in Section __ below. Capitalized but undefined terms used herein shall have the meanings assigned thereto in the hereinafter described Limited Offering Memorandum and the hereinafter described Trust Indenture, as applicable.

(e) The Underwriter acknowledges that, as provided in the Authorizing Law, the 2015-16 TRANs, and the interest thereon, are general obligations of the City, payable from certain unencumbered moneys, including the taxes, income, revenues, cash receipts, and other moneys deposited in inactive or term deposits, received or accrued by the City during Fiscal Year 2015-16 that are lawfully available for such purpose (collectively, the "Unrestricted Revenue"). Taxes, income, revenues, cash receipts and other moneys received by the City and encumbered for a special purpose shall not be available for payment of the 2015-16 TRANs (the "Unavailable Revenue"), unless an equivalent amount of the proceeds from the 2015-16 TRANs is set aside for and used for said special

purpose. Unavailable Revenue shall include, but not be limited to: funds collected by or on behalf of the City for the City retirement fund, water fund and street lighting fund.

The City acknowledges and agrees that (i) the purchase and sale of the Notes pursuant to this Purchase Agreement is an arm's-length, commercial transaction between the City and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor (within the meaning of Section 15B of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), financial advisor or fiduciary to the City, (ii) the Underwriter has not assumed (individually or collectively) any advisory or fiduciary responsibility to the City with respect to this Purchase Agreement, the offering of the Notes and the discussions, undertakings and procedures leading thereto (irrespective of whether any Underwriter, or any affiliate of an Underwriter, has provided other services or is currently providing other services to the City on other matters), (iii) the only obligations the Underwriter has to the City with respect to the transactions contemplated hereby are set forth in this Purchase Agreement, (iv) the Underwriter has financial and other interests that differ from those of the City and (v) the City has consulted with its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the offering and sale of the Notes.

Section 2. Description of Financing. The following is provided for informational purposes only and shall not affect or control the actual terms and conditions of the Series 2015-16 TRANs.

The City is authorized to borrow money pursuant to Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended, and Charter of the City of Compton (as amended, the "**City Charter**") Section 1403 (collectively, the "**Authorizing Law**"), for the purposes authorized by California Government Code Section 53852 and the City Charter, respectively, such indebtedness to be represented by a note or notes of the City.

The Notes shall be as authorized by and issued and secured under the Resolution, Trust Agreement, Accompanying Document and the Direction Letter, in a limited public offering pursuant to the Preliminary Limited Offering Memorandum of the City, dated July ___, 2015, including the cover page and Appendices thereto, relating to the Notes (together with any documents incorporated therein by reference and any supplements or amendments thereto, and as disseminated in its printed physical form or in electronic form materially consistent with such physical form, the "Preliminary Limited Offering Memorandum"), as amended to conform to the terms of this Note Purchase Agreement and with such changes and amendments, and executed by an authorized representative of the City, is hereinafter called the "Limited Offering Memorandum."

The proceeds of the Notes will be deposited in the 2015-16 TRANs Proceeds Fund held by the Trustee and used to (i) pay current Fiscal Year 2015-16 expenditures and to discharge other obligations or indebtedness of the City in accordance with the Authorizing Law and the provisions of the Tax Certificate and (ii) pay certain costs of issuance with respect to the Notes.

Section 3. Delivery of Preliminary Limited Official Memorandum and Limited Official Memorandum; Offering of Notes. The City hereby authorizes the distribution by the Underwriter of the hereinafter described Limited Official Memorandum in connection with the public offering and sale of the Notes. The City consents to and ratifies the use by the Underwriter of the Preliminary Limited Official Memorandum dated July ___, 2015 (such Preliminary Limited Official Memorandum, including the cover page and all appendices, exhibits, reports and statements included

therein or attached thereto and any amendments and supplements thereto that may be authorized by the City for use with respect to the Notes, being herein called the "Preliminary Limited Official Memorandum ") relating to the Notes for the purposes of marketing the Notes in connection with the original public offer, sale and distribution of the Notes by the Underwriter. As of its date, the Preliminary Limited Official Memorandum was "deemed final" by the City for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "SEC") promulgated under the Exchange Act (the "Rule"), except for the permitted omissions described in paragraph (b) (1) of the Rule.

Section 4. Certain Covenants and Agreements of the City. The City covenants and agrees to apply the proceeds from the sale of the Notes as provided in the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter dated July __, 2015 (the "Direction Letter") from the City to the County of Los Angeles (the "County"), and agreed to and acknowledged by the Trustee and the Auditor-Controller of the County, subject to all of the terms, conditions and provisions of the Resolution, the Accompanying Document; the Trust Agreement and the Direction Letter, and not knowingly to take or omit to take any action which will adversely affect the exclusion from gross income for federal income tax purposes of the .interest on the Notes, in that the City agrees to comply with the provisions of the Tax Certificate executed by the City at the time of delivery of the Notes (the "Tax Certificate").

Section 5. Representations and Warranties of the City. The City represents and warrants to the Underwriter, as of the date hereof, as follows:

(a) The City is a municipal corporation organized and existing under a charter duly adopted pursuant to the provisions of the Constitution of the State and has full legal right, power and authority under the Resolution, and at the date of the Closing will have full legal right, power and authority under the Authorizing Law and the Resolution (i) to enter into this Note Purchase Agreement, the Continuing Disclosure Agreement dated as of July 1, 2015 (the "Continuing Disclosure Agreement"), by and between the City and U.S. Bank National Association, as dissemination agent (the "Dissemination Agent"), the Trust Agreement and the Direction Letter, to execute the Accompanying Document and to adopt the Resolution, (ii) to sell, issue and deliver the Notes to the Purchaser as provided herein, and (iii) to carry out and consummate the transactions contemplated by this Note Purchase Agreement, the Resolution, the Accompanying Document, the Continuing Disclosure Agreement, the Trust Agreement, the Direction Letter and the Limited Offering Memorandum; and the City has complied and will at the Closing be in compliance in all material respects with the terms of the Authorizing Law and the Resolution as they pertain to such transactions;

(b) By all necessary official action of the City prior to or concurrently with the acceptance hereof, the City has duly adopted the Resolution at a meeting of the City Council called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the Notes, the Resolution, the Accompanying Document, the Continuing Disclosure Agreement, the Trust Agreement, the Direction Letter and this Note Purchase Agreement, and the consummation by it of all other transactions contemplated by the Limited Offering Memorandum, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement and this Note Purchase Agreement. The Resolution, the Accompanying Document, the Trust Agreement, assuming

due authorization, execution and delivery by the Trustee, the Continuing Disclosure Agreement, assuming due authorization, execution and delivery by the Dissemination Agent, the Direction Letter and this Note Purchase Agreement, assuming due authorization, execution and delivery hereof by the Underwriter, constitute legal, valid and binding obligations of the City, are enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting the enforcement of creditors' rights, the application of general principles of equity if equitable remedies are sought and to the extent the indemnification provisions in this Note Purchase Agreement may be limited by applicable federal and state securities laws; the Notes, when issued, authenticated and delivered to the Underwriter in accordance with the Resolution, the Accompanying Document, the Trust Agreement and this Note Purchase Agreement will constitute legal, valid and binding general obligations of the City entitled to the benefits of, and payable from sources specified in, the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter and enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting the enforcement of creditors' rights and the application of the general principles of equity if equitable remedies are sought and to the extent the indemnification provisions in this Note Purchase Agreement may be limited by applicable federal and state securities laws; upon the issuance, authentication and delivery of the Notes, the Resolution will provide, from time to time for the benefit of the registered owner of the Notes, the legal, valid and binding pledge of and lien on the Pledged Moneys (as defined in the Resolution and the Accompanying Document) it purports to create, subject only to the provisions of the Resolution and the Accompanying Document permitting the application thereof on the terms and conditions set forth in the Resolution and the Accompanying Document;

(c) All authorizations, approvals, licenses, permits, consents and orders of any State governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization of, which would constitute a condition precedent to, or, to the best knowledge of the City, the absence of which would materially adversely affect the due performance by the City of its obligations under, this Note Purchase Agreement, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement and the Notes have been duly obtained, except for such approvals, consents and orders as are stated in the Limited Offering Memorandum as yet to be obtained or as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Notes;

(d) Any certificate signed by any officer of the City and delivered to the Underwriter pursuant to the Notes, the Resolution, Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement, and this Note Purchase Agreement or any document contemplated thereby shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and that such officer shall have been duly authorized to execute the same;

(e) To the best knowledge of the City except as set forth in the Limited Offering Memorandum, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending in which service of process has been completed, or threatened against the City, (i) affecting the corporate existence of the City or the titles of its executive officers to their respective offices, or (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Notes or the pledge of and lien on the Unrestricted Revenues as defined in the Accompanying Document of the City pursuant to the Resolution or (iii) in any way

contesting or affecting the validity or enforceability of the Notes, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement, or this Note Purchase Agreement, or (iv) contesting the exclusion from gross income of interest on the Notes for federal income tax purposes, nor, to the best knowledge of the City, is there any basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence, or (v) contesting the powers of the City for the issuance of the Notes, the adoption of the Resolution or the execution and delivery of this Note Purchase Agreement, the Accompanying Document, the Trust Agreement, the Direction Letter and the Continuing Disclosure Agreement nor is there any reasonable basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Notes, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement or this Note Purchase Agreement;

(f) The financial statements of the City in the Limited Offering Memorandum fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth, and the available audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, and (ii) the other financial information with respect to the City including the Cash Flows, and the budget information included therein, has not been audited and the City has a reasonable basis to believe in the truth and accuracy of the information provided therein.

(g) The City has agreed to execute and deliver the Continuing Disclosure Agreement, at or prior to the Closing, in substantially the form attached to the Limited Offering Memorandum as APPENDIX E – "FORM OF CONTINUING DISCLOSURE AGREEMENT.

(h) Than the hereinafter defined Excluded Sections, the information concerning the City contained in the Preliminary Limited Offering Memorandum is, and such information in the Limited Offering Memorandum as of the Closing Date will be (and as the same may be supplemented or amended, consistent with Section 3(c) hereof) true and correct in all material respects and does not and will not, as applicable, contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and (ii) notwithstanding the foregoing, the City has not provided the information in and does not provide any assurance that the information contained in the sections or appendices, as the case may be, captioned "BOOK-ENTRY ONLY SYSTEM," "TAX MATTERS," APPENDIX D – "FORM OF OPINION OF BOND COUNSEL," APPENDIX K "COPIES OF MACIAS GIN & O'CONNELL LLP REPORTS" (the "Excluded Sections") in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is true and correct in all material respects; provided, however, that nothing has come to the attention of the City which would cause it to reasonably believe that anything contained in the Excluded Sections contains any untrue statement of a material fact or omits to state a material fact which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

All representations, warranties and agreements of the City shall remain operative and in full force and effect, regardless of any investigations made by or on the Underwriter's behalf, and shall survive the delivery of the Notes.

Any certificate signed by any of the City's authorized officers and delivered to the Underwriters shall be deemed a representation and warranty by it to the Underwriters as to the statements made therein.

Section 6. Closing. At 8:00 a.m., California time, on July ___, 2015, or at such other time and date as shall have been mutually agreed upon by the City and the Underwriter, the City will, subject to the terms and conditions hereof, deliver the Notes to the Purchaser duly executed and authenticated, together with the other documents hereinafter mentioned, and the Underwriter will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Notes as set forth in Section 1 hereof by Federal Reserve wire of immediately available funds payable to the order of the City. Such delivery of and payment for the Notes is referred to herein as the "Closing". Delivery of the Notes shall be made at, or, in accordance with the operating procedures thereof, through DTC. The Notes shall be delivered in fully registered form, without coupons, bearing CUSIP number(s) and registered in the name of Cede & Co. and shall be made available to the Underwriter before the Closing for purposes of inspection. Notwithstanding the foregoing, neither the failure to print CUSIP numbers on any Note nor any error with respect thereto shall constitute cause for failure or refusal by the Underwriter to accept delivery of and pay for the Notes on the date of Closing in accordance with the terms of this Note Purchase Agreement.

Section 7. Conditions to Closing. The Underwriter has entered into this Note Purchase Agreement in reliance upon the representations, warranties and agreements of the City contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the date hereof and upon the performance by the City of its obligations hereunder as of the date hereof.

At the time of the Closing, the City documents shall be in full force and effect and shall not have been repealed or amended in any material way since the date of this Purchase Agreement unless agreed to by the Underwriter

At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(i) A certificate of the City in substantially the form of Exhibit A attached hereto;

(ii) An approving opinion, dated the date of Closing, of Gonzalez Saggio & Harlan LLP, Bond Counsel, addressed to the City, substantially in the form of Exhibit B attached hereto, together with a reliance letter of Bond Counsel dated the Closing Date and addressed to the Underwriter, substantially in the form of Exhibit C attached hereto;

(iii) A supplemental opinion of Bond Counsel, addressed to the City and the Underwriter, dated the date of Closing, in substantially the form of Exhibit D hereto;

(iv) An opinion, dated the date of Closing, of City Attorney, as counsel to the City and addressed to the Underwriter, in substantially the form of Exhibit E hereto;

(v) An opinion of Underwriter's Counsel in substantially the form attached hereto, provided, however, that the Underwriter shall not be excused from its obligation hereunder to purchase all of the Notes if Underwriter's Counsel shall fail to deliver such opinion at Closing for any reason

other than there having occurred to their knowledge an event or circumstance prior to Closing that for a valid legal basis prevents Underwriter's Counsel from rendering the opinion attached hereto and provided further that if such event or circumstance became a matter of actual knowledge of the Underwriter or Underwriter's Counsel one or more days prior to the Closing Date, either or both shall have informed the City of such event or circumstance and the valid legal basis which prevents Underwriter's Counsel from delivering their opinion so that the City has a reasonable opportunity to cure, or address by supplement to the Limited Offering Memorandum, prior to Closing;

(vi) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or counsel to the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the City's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memorandum and the due performance or satisfaction by the City on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the City.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Note Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Underwriter.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Notes contained in this Note Purchase Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Notes shall be terminated for any reason permitted by this Note Purchase Agreement, this Note Purchase Agreement shall terminate and neither the Underwriter nor the City shall be under any further obligation hereunder, except that the respective obligations of the City and the Underwriter set forth in Sections 9 and __ hereof shall continue in full force and effect.

Section 8. Termination. Except for the City's obligation to indemnify the Underwriter and the Financial Advisor, which shall survive the termination of this Note Purchase Agreement, this Note Purchase Agreement shall terminate when the Notes have been purchased by the Purchaser.

Section 9. Indemnification.

(a) To the maximum extent permitted by law, the City agrees to indemnify and hold harmless the Underwriter and its respective officers, directors, employees and their agents (each, an "Indemnitee") from and against any and all claims, damages, penalties, actions, losses, liabilities, judgments, suits and reasonable costs or expenses (including, without limitation, reasonable attorney's fees and expenses) whatsoever which an Indemnitee may incur (or which may be claimed against an Indemnitee by any person or entity whatsoever) by reason of or in connection with any action, proceeding or investigation (whether or not the Purchaser is a party thereto) arising from the entering into and/or performance of this Note Purchase Agreement or any Related Document or the use of the proceeds of this Notes or the consummation of any transactions contemplated herein or in the Resolution, the Accompanying Document, the Trust Agreement or the Direction Letter, including, without limitation, the reasonable fees and disbursements of counsel incurred in connection with any such action, proceeding or investigation (but excluding any such claims, damages, penalties, actions, losses, liabilities, judgments, suits and reasonable costs or expenses, to the extent incurred by reason of

the gross negligence or willful misconduct of the Indemnitee, including the sale, transfer or participation of the Notes in violation of Section 4 hereof).

(b) Promptly after receipt by an Indemnitee of notice of the commencement of any action, proceeding, or investigation in respect of which indemnity or reimbursement may be sought as provided above (each, an "Indemnified Claim"), such Indemnitee will notify the City in writing of the receipt or commencement thereof, but the failure of an Indemnitee to notify the City with respect to a particular action, proceeding or investigation shall not relieve the City from any obligation or liability which it may have pursuant to this Section with respect to such action, proceeding or investigation, or which it may have otherwise than pursuant to this Note Purchase Agreement with respect to any action, proceeding, or investigation, except to the extent such failure to so notify the City with respect to a particular action, proceeding or investigation results in substantial prejudice to the City, in which case the City's indemnification and reimbursement obligations shall be reduced to the extent of such prejudice.

(c) The City shall be entitled at its own expense to participate in and control the defense of any action, proceeding or investigation with counsel reasonably satisfactory to such Indemnitee. Notwithstanding the preceding sentence, an Indemnitee will be entitled to employ counsel separate from counsel for the City and from any other party in such action, proceeding or investigation and to participate in the action, proceeding, or investigation, and the City shall bear the fees and expenses of such separate counsel (and shall pay such fees and expenses as and when incurred), only if the Indemnitee and the counsel selected pursuant to the preceding sentence shall have reasonably concluded that there may be one or more legal defenses available to the Indemnitee which are different from or additional to those available to the City and which cannot be adequately raised by the selected counsel for conflict reasons. Each Indemnitee shall cause its counsel to cooperate with the City in the defense of any action, proceeding or investigation to the extent consistent with its professional responsibilities. The City shall not be liable for the settlement by any Indemnitee of any action, proceeding or investigation effected without its consent, which consent will not be unreasonably or untimely withheld. The City shall not settle or compromise any action, proceeding or investigation, or permit a default or consent to the entry of any judgment with respect thereto, unless such settlement, compromise, default or consent includes, as an unconditional term thereof, the giving by the party other than the City thereto of an unconditional general release to all Indemnitees from all liability in respect of such action, proceeding, or investigation.

Section 10. Representations and Warranties of the Underwriter. The Underwriter represents and warrants to the City that:

(a) The Underwriter is duly organized and validly existing under the laws of _____ and is duly authorized to transact business in the State;

(b) The Underwriter has been duly authorized to execute this Note Purchase Agreement.

(c) The Underwriter has the full power and authority to take all actions required or permitted to be taken by or under, and to perform and observe the covenants and agreements on its part contained in, this Note Purchase Agreement;

(d) This Note Purchase Agreement has been duly executed and delivered by the Underwriter;

(e) The Underwriter represents that it is either registered with the Financial Industry Regulatory Authority, Inc. ("FINRA") as a broker-dealer and the MSRB as a municipal securities dealer, or is otherwise registered with the necessary regulatory authorities required for it to serve as an Underwriter for the Notes under this Purchase Agreement, and that at all times during the offering and sale of the Notes it will continue to be so registered; and

(f) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Underwriter, threatened against or affecting the Underwriter, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Limited Offering Memorandum or the validity and legality of this Note Purchase Agreement or the Limited Offering Memorandum. To the best of the knowledge of the undersigned Authorized Signatory of the Underwriter, the Underwriter is in compliance with the rules and regulations of FINRA (to the extent it is regulated by the FINRA) and any other body which regulates the Underwriter, as it relates to all transactions contemplated by this Purchase Agreement.

(g) The foregoing representations and warranties of the Underwriter and the obligations set forth under Section 10 hereof shall survive the execution and delivery of this Purchase Agreement, the execution and delivery of the Notes and the instruments and documents contemplated thereby.

Section 11. Expenses.

(a) The Underwriter shall be under no obligation to pay and the City shall pay or cause to be paid the expenses incident to the performance of the obligations of the City hereunder including but not limited to (i) the cost of preparing, printing, issuing and delivering the definitive Notes and each of the legal documents, including the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and any supplements and amendments thereto, (ii) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the City, and (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel.

(b) All out-of-pocket expenses of the Underwriter, including the fees of the California Debt and Investment Advisory Commission, fees of the Underwriter 's counsel, and other expenses (except as provided above), shall be paid by the Purchaser.

Section 12. Notices. Any notice or other communication to be given to the City under this Note Purchase Agreement may be given by delivering the same in writing to: City of Compton, 205 S. Willowbrook Avenue, Compton, California 90220, Attention: City Treasurer; any notice or other communication to be given to the Underwriter under this Note Purchase Agreement may be given by delivering the same in writing to: IFS Securities, Inc., 3414 Peachtree Road, N.E., Suite 1020, Atlanta Georgia 30326, Attention: Craig Walker, Vice President.

Section 13. Parties in Interest. This Note Purchase Agreement shall constitute the entire agreement among the City and the Underwriter and is made solely for the benefit of the City and the Underwriter (including successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. Any remedy which the Underwriter may have at law or in equity by reason of the breach of any representation or warranty of the City made herein shall not expire upon, nor be limited by, (i) delivery of and payment for the Notes pursuant to this Note Purchase Agreement, (ii) any investigations made by or on behalf of the Underwriter or (iii)

termination of this Note Purchase Agreement; provided, however, that such representations and warranties are made only as of the date of this Note Purchase Agreement and as of the date of the Closing and are not continuing.

Section 14. Effectiveness. This Note Purchase Agreement shall become effective upon the acceptance hereof by the City and shall be valid and enforceable at the time of such acceptance.

Section 15. Choice of Law. This Note Purchase Agreement shall be governed by and construed in accordance with the law of the State applicable to contracts made and performed in such State.

Section 16. Entire Agreement. This Note Purchase Agreement, together with any contemporaneous written agreements and any prior written agreements (to the extent not superseded by this Note Purchase Agreement) that relate to the offering of the Notes, represents the entire agreement between the City and the Underwriter with respect to the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, and the conduct of the offering, and the purchase and sale of the Notes.

Section 17. Representative Capacity. Any authority, right, discretion or other power conferred upon the Underwriter under any provision of this Note Purchase Agreement may be exercised by the Underwriter, and the City shall be entitled to rely upon any request, notice or statement if the same shall have been given or made by the Underwriter. The Underwriter represents that it has been duly authorized to execute this Note Purchase Agreement and to take such action as it may deem advisable in respect of all matters pertaining to this Note Purchase Agreement.

Section 18. Severability. If any provision of this Note Purchase Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Note Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

Section 19. Headings. Section headings have been inserted in this Note Purchase Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Note Purchase Agreement and will not be used in the interpretation of any provisions of this Note Purchase Agreement.

Section 20. Counterparts. This Note Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

Section 21. Effective Date. This Purchase Agreement shall become effective upon acceptance hereof by the City.

(NPA w/o attachments)

Very truly yours,

IFS SECURITIES, INC.,

BY: _____
Authorized Officer

CITY OF COMPTON

BY: _____
Johnny Ford, City Manager

Approved as to form:

_____
Craig Cornwell, City Attorney

EXHIBIT C

PRELIMINARY LIMITED OFFERING MEMORANDUM

#21.

The Preliminary Official Statement and the Information contained herein are subject to completion, change, or amendment without any notice. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED JULY __, 2015
OFFERED ONLY TO ACCREDITED INVESTORS

NEW ISSUE, BOOK-ENTRY ONLY

NO RATING
See "NO RATING" herein

In the opinion of Bond Counsel, subject to the limitations and conditions described herein, interest on the Notes (as defined below) is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions, as noted in "TAX MATTERS" herein. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

$_____*
CITY OF COMPTON, CALIFORNIA
2015-16 TAX AND REVENUE ANTICIPATION NOTES

Interest Rate:_____% Yield: _____% CUSIP: _____

Dated Date: Day of Delivery **Maturity Date: June 1, 2016**

The City of Compton, California (the "City") is issuing its $_____*" 2015-16 Tax and Revenue Anticipation Notes (the "Notes") for the purpose of financing Fiscal Year 2015-16 expenditures, including, but not limited to, current expenses, capital expenditures and the discharge of other obligations of the City. In accordance with California law, the Notes are general obligations of the City payable from the taxes, income, revenue, cash receipts and other moneys that are received or accrued by (or allocable to) the City during Fiscal Year 2015-16 that are lawfully available for the payment of the Notes and interest thereon, but exclusive of any moneys that when received will be encumbered for a special purpose (as more particularly described herein, the "Unrestricted Revenues"). In accordance with a Direction Letter from the City to the County of Los Angeles (the "County"), the Auditor-Controller of the County will transfer County Collected Revenues (as defined herein), which comprise a portion of Unrestricted Revenues, to the Trustee (as defined below) for deposit in an account to be held in trust solely for the benefit of the holders of the Notes (the "Repayment Fund"). As provided in Title 5, Division 2, Part 1, Chapter 4, Article 7.6 (Sections 53850 to 53858 of the Government Code of the California) (the "Law"), the Notes and the interest thereon will be a valid lien and charge against, and will be payable from, the first moneys received by the City comprising the Unrestricted Revenues. To the extent that any amounts so received are less than the total dollar amount designated for such deposit in the Repayment Fund, additional amounts will be deposited into the Repayment Fund from any other moneys of the City lawfully available therefor, as more particularly described herein. The Repayment Fund is to be held in trust by U.S. Bank National Association, Los Angeles, California, as trustee, paying agent and note registrar for the Notes (the "Trustee"). See "THE NOTES — Security and Sources of Payment for the Notes."

The Notes will be issued in fully registered form, without coupons, at the interest rate stated above. The Notes, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Purchase of the Notes will be made only through DTC participants under the book-entry system maintained by DTC. The Purchaser (as defined herein) will not receive a certificate representing its ownership interest in the Notes. Principal of and interest on the Notes are payable on the Maturity Date of the Notes. The Notes will not be subject to redemption prior to maturity. The Notes may not be transferred or exchanged except as provided herein to Accredited Investors, as defined herein. See "THE NOTES" and "BOOK-ENTRY ONLY SYSTEM."

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY AND IS NOT A SUMMARY OF THE TRANSACTION. INVESTORS MUST READ THE ENTIRE LIMITED OFFERING MEMORANDUM TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. SEE "THE NOTES — SECURITY AND SOURCES OF PAYMENT FOR THE NOTES," "RISK FACTORS," AND "CITY FISCAL CRISIS UPDATE" HEREIN.

This Limited Offering Memorandum relates only to the purchase of the Notes as of their date of delivery and should not be relied upon after such date.

The Notes are offered when, as and if executed and delivered by the City and received by the Purchaser, subject to the approval as to their legality by Gonzalez Saggio & Harlan LLP, Los Angeles, California, Bond Counsel to the City. Certain other legal matters will be passed upon for the City by the City Attorney, and by the City's Disclosure Counsel, Gonzalez Saggio & Harlan LLP, Los Angeles, California and for the underwriter by its counsel [Bell & Washington], Atlanta, Georgia. Corner Capital Group, LLC, Jackson, Mississippi, is serving as Financial Advisor for the City. It is expected that the Notes will be available through the facilities of DTC in New York, New York for delivery on or about July, 2013.

IFS SECURITIES, INC.

Dated: , 2015

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* Preliminary, subject to change.

No dealer, broker, salesperson, or other person has been authorized by the City to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the City. This Limited Offering Memorandum does not constitute an offer to sell nor the solicitation of an offer to buy, nor shall there be any sale of the Notes by a person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Limited Offering Memorandum is not to be construed as a contract with the purchaser of the Notes. Statements contained in this Limited Offering Memorandum that involve estimates, forecasts, or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts. No representation is made that any past experience, as shown by any financial or other information herein, will necessarily continue or be repeated in the future. The information set forth in this Limited Offering Memorandum has been obtained from official sources and other sources, which are believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by, the City.

The information and expressions of opinions herein are subject to change without notice and neither delivery of this Limited Offering Memorandum nor any sale made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. This Limited Offering Memorandum is submitted with respect to the original issuance and sale of the Notes referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of the documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

CUSIP data on the cover hereof are provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association. CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers are provided for convenience of reference only. Neither the City nor the Underwriter (as defined herein) assumes any responsibility for the selection or uses of, or for the accuracy or correctness of, such data.

Certain statements in this Limited Offering Memorandum, which may be identified by the use of such terms as "plan," "expect," "estimate," "project," "budget" or other similar words, constitute "forward-looking statements." Such forward-looking statements include, but are not limited to, statements under the caption "RISK FACTORS" and in "APPENDIX B: CITY OF COMPTON CASH FLOW PROJECTIONS." Such forward-looking statements refer to the achievement of certain results or other expectations of performance which involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors may cause actual results, performance or achievements to be materially different from any projected results, performance or achievements described or implied by such forward-looking statements. The City does not plan to issue updates or revisions to such forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur, or if actual results, performance or achievements are materially different from any results, performance or achievements described or implied by such forward-looking statements.

EACH PURCHASER OF NOTES WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER IN THE FORM ATTACHED HERETO AS "APPENDIX F: INVESTMENT LETTER" (THE INVESTMENT LETTER") IN WHICH, AMONG OTHER MATTERS, SUCH PURCHASER WILL REPRESENT THAT IT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501 UNDER THE SECURITIES ACT OF 1933. THE NOTES MAY BE TRANSFERRED ONLY TO ACCREDITED INVESTORS.

CITY OF COMPTON

County of Los Angeles, California

CITY COUNCIL

Janna Zurita (District 1)
Isaac Galvan (District 2)
Yvonne Arceneaux (District 3)
Emma Sharif (District 4)
Aja Brown, Mayor

CITY STAFF

Craig J. Cornwell, City Attorney
Alita Godwin, CMC, City Clerk
Douglas Sanders, City Treasurer
Johnny Ford, City Manager

BOND AND DISCLOSURE COUNSEL

GONZALEZ SAGGIO & HARLAN LLP
Los Angeles, California

SPECIAL COUNSEL TO THE CITY

BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC
Los Angeles, California

TRUSTEE

U.S. BANK NATIONAL ASSOCIATION
Seattle, Washington

FINANCIAL ADVISOR

COMER CAPITAL GROUP, LLC
Jackson, Mississippi

UNDERWRITER

IFS SECURITIES, INC.
Atlanta, Georgia

UNDERWRITERS COUNSEL

[BELL & WASHINGTON]
Atlanta, Georgia

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LIMITED OFFERING MEMORANDUM

**$_____*
CITY OF COMPTON, CALIFORNIA
2015-16 TAX AND REVENUE ANTICIPATION NOTES**

INTRODUCTION

This introduction contains only a brief summary of certain of the terms of the Notes being offered, and a brief description of this Limited Offering Memorandum. All statements contained in this introduction are qualified in their entirety by reference to the entire Limited Offering Memorandum. References to, and summaries of provisions of the Constitution and laws of the State of California and any documents referred to herein do not purport to be complete and such references are qualified in their entirety by reference to the complete provisions. This Limited Offering Memorandum speaks only as of its date, and the information contained herein is subject to change.

General

This Limited Offering Memorandum, which includes the cover and Appendices attached hereto, provides information concerning the sale and delivery of $_____* City of Compton, California 2015-16 Tax and Revenue Anticipation Notes (the "Notes"). The Notes are issued pursuant to the Charter of the City of Compton (as amended, the "City Charter") and the Constitution and laws of the State of California (the "State"), including Title 5, Division 2, Part 1, Chapter 4, Article 7.6 (Sections 53850 to 53858 of the Government Code of the State) (the "Law"). The Notes are authorized pursuant to a resolution of the City Council (the "City Council") of the City of Compton, California (the "City") adopted on July __ 2014 (the "Resolution") and the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton - Tax and Revenue Anticipation Notes , dated as of July 1, 2015(the "Accompanying Document"). The Notes are being issued for the purpose of financing Fiscal Year 2015-16 (July 1, 2014 to June 30, 2015) expenditures, including, but not limited to, current expenses, capital expenditures and the discharge of other obligations of the City. The City may, under the Law, issue the Notes only if the principal of and interest on the Notes will not exceed eighty-five percent (85%) of the estimated Unrestricted Revenues (as defined herein) legally available for the payment of the Notes. Capitalized terms used but not defined herein have the meanings assigned to them in the Resolution or the Accompanying Document, as applicable.

The City

The City is a municipal corporation and charter city organized and existing under the Constitution and laws of the State. The City Charter provides for the election, organization, powers and duties of the legislative branch, known as the City Council; the powers and duties of the executive and administrative branches; fiscal administration; and public utilities and franchises. The City Council governs the City and is composed of five members, four who are residents of their respective City Council districts, and one member who is nominated and elected from the City at large to hold the office of Mayor. The Mayor is the presiding officer of the City Council and is the official head of the City. Other elected officers of the City are the City Clerk, the City Treasurer and the City Attorney. All City Council members and other elected officers serve for a term of four years, without term limits. The

* Preliminary, subject to change.

City Council appoints the City Manager, who is the chief executive officer and the head of the administrative branch of the City government.

The City is located in the geographical center of the County of Los Angeles (the "County"), between the greater Los Angeles and Long Beach metropolitan areas. The City had approximately 97,559 residents as of July 1, 2012 and encompasses an area of approximately 10.2 square miles.

Security and Sources of Payment for the Notes

Under the Law, the Notes are general obligations of the City payable only out of Unrestricted Revenues (as defined herein) received or accrued by (or allocable to) the City during Fiscal Year 2015-16 that are lawfully available for payment of the Notes and the interest thereon. In accordance with a Direction Letter from the City to be dated the date of delivery of the Notes (the "Direction Letter") to the County, the Auditor-Controller of the County will transfer County Collected Revenues (as defined herein), which are a portion of Unrestricted Revenues, to the Trustee for deposit in the Repayment Fund. As provided in the Law, the Notes and the interest thereon will be a valid lien and charge against, and will be payable from, the first moneys received by the City comprising the Unrestricted Revenues. To the extent that any amounts so received are less than the total dollar amount designated for such deposit in the Repayment Fund, additional amounts will be deposited into the Repayment Fund from any other moneys of the City lawfully available therefor, as described below. The Repayment Fund is to be held in trust by [U.S. Bank National Association], Los Angeles, California, as trustee, paying agent and note registrar for the Notes (the "Trustee") pursuant to the Trust Agreement, dated as of July 1, 2014 (the "Trust Agreement"), by and between the City and the Trustee. The City expects that the aggregate amounts required to be deposited in the Repayment Fund will be sufficient to repay the Notes and accrued interest thereon when due. See "THE - NOTES — Security and Sources of Payment for the Notes" herein.

General Description of the Notes

The Notes will be delivered in fully registered form, without coupons. The Notes will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, securities depository of the Notes. Purchase of the Notes will be made in book-entry form only. The purchaser of the Notes (the "Purchaser") will not receive a certificate representing its ownership interest in the Notes. See "BOOK-ENTRY ONLY SYSTEM" herein. The principal of and interest on the Notes will be paid on June 1, 2015 (the "Maturity Date") by the Trustee to DTC, which will in turn remit such principal and interest to the Purchaser.

The Notes are not subject to redemption prior to maturity. See "THE NOTES" herein for more information.

Tax Matters

In the opinion of Bond Counsel, subject to the limitations and conditions described herein, interest on the Notes is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions, as noted in "TAX MATTERS" herein. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

Continuing Disclosure

The City has covenanted in the Resolution and the Continuing Disclosure Agreement dated as of the dated date of the Notes (the "Continuing Disclosure Agreement"), by and between the City and U.S. Bank National Association, as dissemination agent, to file notices of certain events (each, a "Listed Event") with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system or as otherwise directed by the MSRB or the Securities and Exchange Commission (the "SEC"). See "APPENDIX E: FORM OF CONTINUING DISCLOSURE AGREEMENT" for an enumeration of the Listed Events.

Prior to July 2012 the City had failed to timely file certain annual reports, notices of failure to file annual reports, and notices of rating changes required to be filed pursuant to continuing disclosure agreements entered into by the City and the respective dissemination agents thereunder pursuant to Rule 15c2-12(b)(5) (the "Rule") of the SEC within the past five years. Other than the 2012/13 Audit which is being worked on now, since The February 2013 TRANS the City has made timely continuing disclosures.

See "CONTINUING DISCLOSURE" below for more information.

Investment Considerations and Risk Factors

THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. SEE "THE NOTES - SECURITY AND SOURCES OF PAYMENT FOR THE NOTES," "RISK FACTORS" AND "NO RATING" HEREIN. THE DISCUSSION OF RISK FACTORS HEREIN IS NOT, AND IS NOT INTENDED TO BE, COMPREHENSIVE OR EXHAUSTIVE.

Miscellaneous

The descriptions herein of the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter are qualified in their entirety by reference to such documents, and the descriptions herein of the Notes are qualified in their entirety by the form thereof and the information with respect thereto included in the aforementioned documents. Copies of the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter are on file and available for inspection at the City and from the offices of the Trustee at [U.S. Bank National Association, 633 West Fifth Street, 24th Floor, Los Angeles, California 90071, Attention: Corporate Trust Services].

The information and expressions of opinion herein speak only as of their date and are subject to change without notice. Neither the delivery of this Limited Offering Memorandum nor any sale made in connection therewith nor any future use of this Limited Offering Memorandum shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. The Underwriter (as defined herein) has reviewed the information in this Limited Offering Memorandum, but the Underwriter does not guarantee the accuracy or completeness of such information.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial

position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

The City regularly prepares a variety of reports, including audits, budgets and related documents, as well as certain monthly activity reports. The Owner of the Notes may obtain a copy of any such report, as available, from the City. Such reports are not incorporated herein by this reference.

THE NOTES

General

The Notes will be issued in the aggregate principal amount of $_____*, will be dated their date of issuance and delivery, and will mature on June 1, 2016. The Notes will bear interest at the rate per annum set forth on the cover page hereof, computed on the basis of a 360-day year comprised of 12 months of 30 days each. Interest on the Notes will be payable at maturity.

The Notes are not subject to redemption prior to maturity.

THE NOTES ARE NOT TRANSFERABLE EXCEPT TO AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501 UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE PURCHASERS OF THE NOTES WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER, THE FORM OF WHICH IS ATTACHED HERETO AS APPENDIX F.

The Trustee will serve as trustee, paying agent and note registrar for the Notes. The Notes are to be delivered as fully registered Notes, without coupons, and, when delivered, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as initial securities depository of the Notes. Purchase will be made in book-entry form only in the principal amount of the Notes. See "BOOK-ENTRY ONLY SYSTEM" herein.

Security and Sources of Payment for the Notes

General. Under the Law, the Notes and the interest thereon are general obligations of the City payable from the taxes, income, revenues, cash receipts and other moneys of the City, including moneys deposited in inactive or term deposits (but excepting certain moneys which, when received by the City, will be encumbered for a special purpose unless an equivalent amount of the proceeds from the Notes is set aside for and used for such special purpose) received or accrued by (or allocable to) the City during Fiscal Year 2015-16 that are lawfully available for payment of the Notes and the interest thereon (collectively, the "Unrestricted Revenues"). The Unrestricted Revenues include the 1% property tax labeled account number "132.01- City-Compton TD #1" by the County of Los Angeles Auditor/Controller, vehicle licensing fee revenues, and sales and use tax revenues collected by the County on behalf of the City (collectively, the "County Collected Revenues").

Pursuant to the Resolution and the Accompanying Document, and in accordance with the Law and the City Charter, the City will pledge from the Unrestricted Revenues available for the payment of principal of and interest on the Notes as security for the Notes, and the City Manager will cause to be deposited into the 2015-16 TRANs Repayment Fund created pursuant to the Accompanying Document and held in trust by the Trustee (the "Repayment Fund") (subject to the provisions of the Accompanying Document as described below), all County Collected Revenues allocated or attributable to the City until the amounts in the Repayment Fund equal the principal of and interest due on the Notes, plus an amount, if any, equal to the rebate amount calculated to be due to the United States

Treasury. In accordance with the Direction Letter, the City will direct the Auditor-Controller of the County to transfer, and the Auditor-Controller of the County will transfer, the County Collected Revenues to the Trustee for deposit in the Repayment Fund. The terms of the Direction Letter are irrevocable and will not terminate until the amounts in the Repayment Fund equal the principal of and interest due on the Notes, plus an amount, if any, equal to the rebate amount calculated to be due to the United States Treasury.

To the extent that any amounts received, as described in the preceding paragraph, are less than the total dollar amount designated for such deposit in the Repayment Fund, the City Manager will cause to be deposited and the Trustee will deposit into the Repayment Fund additional amounts from any other moneys of the City lawfully available therefor no later than the day immediately preceding the Maturity date. To the extent any Note is not paid from the County Collected Revenues, such Note will be paid with the interest thereon and from any other moneys of the City lawfully available therefor. As provided in the Law, the Notes and the interest thereon are a valid lien and charge against, and are payable from, the first moneys received by the City comprising Unrestricted Revenues.

On the Maturity Date of the Notes, the Trustee will pay from the County Collected Revenues the principal and interest due on the Notes, and such County Collected Revenues may not be used for any other purpose, although earnings may be invested in Permitted Investments as described in the Accompanying Document so as to be available for disbursement and in no event for a term that exceeds the term of the Notes, and earnings on amounts in the Repayment Fund will be deposited as and when received into the General Fund of the City. Any amounts remaining in the Repayment Fund after payment of principal of and interest on the Notes will be the sole and exclusive property of the City, will not be subject to any claims by or on behalf of any holder of Notes and will be transferred to the City for deposit into any account in the General Fund of the City as the City Manager may direct.

Please see "APPENDIX H: FORM OF ACCOMPANYING DOCUMENT" for more information and a complete description of the Security and Sources of Payment for the Notes.

County Collected Revenues. The following Table 1 sets forth the County Collected Revenues received by the City during Fiscal Years 2009-10 through 2013-14.

TABLE 1
City of Compton
County Collected Revenues [(1)]
Fiscal Years 2009-10 through 2013-14

Fiscal Year	Property Tax[(2)]	VLF	Sales Tax	Total
2009-10	3,271,805	8,203,159	1,485,420	12,960,385
2010-11	1,454,612	7,595,366	1,851,753	10,901,731
2011-12	2,999,362	7,682,171	1,439,626	12,121,159
2012-13	3,195,018	7,940,326	1,827,591	12,962,935
2013-14	4,078,593	8,233,467	2,164,822	14,476,882

Source: City of Compton

(1) Unaudited.
(2) Property Tax Revenues reflect collections from the 1% ad valorem property tax levy. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS — Article XIII A" in the forepart of the Limited Offering Memorandum.

Repayment Fund

In accordance with the provisions of the Resolution and the Accompanying Document, the City Manager will cause to be established by the Trustee the Repayment Fund, to be held in trust by the Trustee, and all County Collected Revenues are to be deposited with the Trustee into the Repayment Fund as required by the terms of the Resolution and the Accompanying Document. Moneys in the Repayment Fund are to be invested in Permitted Investments (as defined below) that provide sufficient liquidity so that moneys will be available no later than the Maturity Date of the Notes. Moneys in the Repayment Fund are to be used to pay the Notes and the interest thereon when and as they become due and payable, and amounts necessary to pay any rebate requirement as provided in the Resolution and the Accompanying Document, and may not be used for any other purposes. Any amounts remaining in the Repayment Fund after payment of principal of and interest on the Notes will be the sole and exclusive property of the City, will not be subject to any claims by or on behalf of any holder of Notes and will be transferred to City for deposit into any account in the General Fund of the City as the City Manager may direct.

"Permitted Investments" consist of any of the following securities, provided that in no event shall any Permitted Investment mature or otherwise be repayable such that moneys will be available later than the Maturity Date: (i) United States Treasury bills, bonds, and notes for which the full faith and credit of the United States are pledged for payment of principal and interest; (ii) direct obligations issued by the following agencies of the United States Government: the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Tennessee Valley Authority; (iii) mortgage backed securities (except stripped mortgage securities) issued by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association; (iv) United States Treasury Obligations, State and Local Government Series; (v) issues guaranteed as to timely payment of principal and interest by the full faith and credit of the Federal Deposit Insurance Corporation (clauses (i) through (v), "Federal Securities"); (vi) Commercial Paper having original maturities of not more than the Maturity Date of the Notes, payable in the United States of America and issued by corporations that are organized and operating in the United States with total assets in excess of $500 million and having an "A" or better rating for the issuer's long term debt as provided by Moody's, S&P, or Fitch and "P-1", "A-1", "Fl" or better rating for the issuer's short term debt as provided by Moody's, S&P, or Fitch, respectively; (vii) bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which have short term obligations outstanding which are rated by two Rating Agencies in their respective highest short term rating categories, a long term debt rating of not less than "A" by a Rating Agency, and a maturity no later than the Maturity Date of the Notes; (viii) negotiable or non-negotiable certificates of deposit issued by a nationally or state chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state licensed branch of a foreign bank, in each case which has, or which is a subsidiary of a parent company which has, obligations outstanding having a rating in the "A" category or better from S&P, Moody's, or Fitch; (ix) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association, or a state licensed branch of a foreign bank, having a minimum permanent capital of one hundred million dollars ($100,000,000) and with short term debt rated by two Rating Agencies in their respective three highest short term rating categories or any government bond dealer reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York, which agreement is secured by any one or more of the Federal Securities and having maturities equal to or less than 5 years from the date of delivery, which shall have a market value (valued at least monthly) not less than 102% of the principal amount of such investment; (x) shares of beneficial interest issued by diversified management companies, known as money market funds which invest in securities described

in clauses (i)—(ix) above, registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a 1 et seq.) and whose fund has received the highest possible rating from S&P and at least one other Rating Agency; (xi) investment agreements and guaranteed investment contracts with issuers having a long term debt rating of at least "AA" or "Aa2" by S&P or Moody's, respectively; (xii) the Los Angeles County Treasury Pool; or (xiii) the Local Agency Investment Fund created pursuant to Section 16429.1 of the Government Code of the State.

Available Sources of Repayment

As described above in "—Security and Sources of Payment for the Notes," the Notes, in accordance with the Law, are general obligations of the City payable from Unrestricted Revenues, which include the taxes, income, revenue, cash receipts and other moneys of the City received or accrued by (or allocable to) the City during Fiscal Year 2015-16 that are lawfully available for the payment of the Notes and interest thereon. The Constitution of the State substantially limits the City's ability to levy ad valorem taxes and increase fees charged for services of the City. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS" herein.

Additional Cash Flow Borrowing

The City currently expects that, other than the Notes, it will not issue any other notes or warrants for cash flow borrowing purposes with respect to Fiscal Year 2015-16. The City expects to refinance its Public Finance Authority Lease Revenues Bonds Series 2008 to take advantage of prevailing low interest rate and reduced debt service payment.

Use and Investment of Note Proceeds

The net proceeds of sale of the Notes will be transferred to the Trustee and deposited in the 201516 TRANS Proceeds Fund established by the Trustee at the direction of the City Manager (the "Proceeds Fund"). The City Manager will cause the Trustee to make disbursements and the Trustee will make disbursements from the Proceeds Fund to pay Fiscal Year 2015-16 expenditures and discharge other obligations or indebtedness of the City in accordance with the Law and the instructions and agreements set forth in the Tax Certificate of the City. Amounts in the Proceeds Fund will be invested in Permitted Investments.

BOOK-ENTRY ONLY SYSTEM

The following information concerning The Depository Trust Company, New York, New York and its book-entry system has been obtained from sources the City believes to be reliable; however, the City takes no responsibility as to the accuracy or completeness thereof There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued in the aggregate principal amount of the Notes and will *be* deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York

Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on this website is not incorporated by reference herein.

Purchase of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of the Purchaser of the Notes ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. The Beneficial Owner will not receive written confirmation from DTC of its purchase. The Beneficial Owner is, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of its holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. The Beneficial Owner will not receive a certificate representing its ownership interest in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

The Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owner of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owner. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to the Beneficial Owner will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. The Beneficial Owner of the Notes may wish to take certain steps to augment the transmission to it of notices of significant events with respect to the Notes, such as defaults and proposed amendments to the Resolution and the Accompanying Document. For example, the Beneficial Owner of the Notes may wish to ascertain that the nominee holding the Notes for its benefit has agreed to obtain and transmit notices to the Beneficial Owner. In the alternative, the Beneficial Owner may wish to provide its name and address to the Trustee and request that copies of notices be provided directly to it.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments with respect to the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Trustee on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to the Beneficial Owner will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or its nominee, the Trustee or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest and premiums, if any, and purchase prices, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owner will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered to DTC.

In accordance with the Resolution and the Accompanying Document, in the event (a) DTC determines not to continue to act as securities depository for the Notes or (b) the City determines that DTC shall no longer so act, and delivers a written certificate to DTC to that effect, then the City will discontinue the book-entry system for the Notes with DTC. If the City determines to replace DTC with another qualified securities depository, the City will prepare or direct the preparation of and execute, and the Trustee will authenticate and deliver, subject to any limitation on maximum principal amount imposed by the successor securities depository, a new single, separate fully registered note for the aggregate outstanding principal amount of the Notes held by DTC, registered in the name of such successor or substitute qualified securities depository or its nominee, or make such other arrangement reasonably acceptable to the City and the successor securities depository. If the City fails to identify another qualified successor securities depository to replace DTC, then the Notes will no longer be restricted to being registered in the note register in the name of DTC or its nominee, but will be registered in whatever name or names the securities depository or its nominee designate. In such event the City will prepare or direct the preparation of and execute, and the Trustee will authenticate and deliver to the holders thereof, such Notes as are necessary or desirable in accordance with the Accompanying Document. Interested persons should contact the City or the Trustee for further information regarding such provisions of the Resolution and the Accompanying Document.

Each payment to DTC or its nominee will be valid and effective to satisfy and discharge fully the obligations of the City and the Trustee with respect to the principal of or interest on the Notes to

the extent of the sum or sums so paid. The City may treat and consider the person in whose name the Note is registered in the note register as the absolute owner of such Note for purpose of payment of principal of and interest on such Note and for all other purposes whatsoever.

THE CITY AND THE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNER OF THE NOTES (I) PAYMENTS OF PRINCIPAL OF AND INTEREST EVIDENCED BY THE NOTES, (II) CONFIRMATIONS OF OWNERSHIP INTERESTS IN THE NOTES OR (III) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED HEREIN.

NEITHER THE CITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY, OBLIGATION OR LIABILITY TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OR COMPLETENESS OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF ANY AMOUNT DUE TO THE BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF ANY NOTICE TO THE BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS UNDER THE TERMS OF THE RESOLUTION OR THE ACCOMPANYING DOCUMENT; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE NOTES.

CITY FISCAL UPDATE

The City's General Fund budget is balanced for the 2015-16 fiscal year with revenue of approximately $57.9 million and expenditures of approximately 57.9 million ensure that the City maintains a rainy day reserve of $3.4 million in the General Fund. Based on its General Fund Contingency Reserve Policy, adopted on July 22, 2014, the City is required to include a contribution to its reserve as a line item in the annual budget. The goal is to assure solvency by gradually building the rainy day reserve to be equal to 10% of the General Fund's total expenditures. The fiscal year 2015-16 budget's rainy day reserve fund deposit will be $550,000. In addition to the $550,000 budgeted for the mandatory reserve contribution, it is expected that any unanticipated revenue received during the fiscal year will not be appropriated for spending but deposited into the rainy day reserve fund.

The City ended fiscal year 2011-12 with a $2.7 million deficit. The City has operated with a balanced general fund budget for three fiscal years, 2012-13, 2013-14 and 2014-15. The City Council has adopted a balanced budget for fiscal year 2015-16. The fiscal year 2014-15 budget was the first City budget since fiscal year 2010-11 that did not necessitate reductions in services, programs, or employees to balance the City's general fund. The City restored all employee concessions and benefits implemented as part of the budget reductions of fiscal year 2011-12. The adopted fiscal year 2015-16 builds on the fiscal year 2014-15 trend of improved fiscal health, by including modest increases in employee salaries to allow the City to remain somewhat competitive in the labor market. The fiscal year 2015-16 budget includes a 10% salary increase for sworn and unsworn fire department employees and a 3% salary increase for general fund employees.

The cost of these salary increases added $0.97 million to the fiscal year 2015-16 total expenditures. The 3% salary increase will be funded by anticipated distribution of the City's share of $7 million dollar of the special parcel tax revenues attributable to the former redevelopment area. The 2015-16 budget also includes the amount of $2.5 million for repayment of the General Fund internal borrowing repayment plan in accordance with Council resolution number 23,970 adopted in 2014. Further, the fiscal year 2015-16 General Fund expenditure includes $1.99 million for bond payment regarding the Lease Revenue Bonds. The City anticipates refinancing the lease revenue bonds which will reduce the required bond payment from $3.9 million to $1.99 million

In December 2001 the City modified the provisions of the Crystal Park Casino (the "Casino") gaming license ordinance to provide for a reduced fee in light of the economic impact of the events of September 11, 2001.The reduced fee amounted to $240,000 in each fiscal year from 2002 through 2012. The reduced gaming license fee remained in effect until January 2012 when the City returned to the original provisions of the gaming license ordinance. In fiscal year 2013-14, the first full year of receiving gaming revenue following the discontinuance of the post September 11th modification, the City received approximately $2 million in gaming license fee revenue. In fiscal year 2014-15 the City received $2.1 million in gaming license fee revenue from the Casino.

In December 2014 Trammell Crowe purchased the Atkinson Brickyard site, a 59 acre closed industrial facility. Trammel Crowe has submitted plans to the City for approval of a building housing warehouse space, a distribution facility and office space.

Wal-Mart Stores, Inc. acquired an old abandoned 100,000 square foot Sears building and is currently retrofitting the building for a Wal-Mart store. The store is expected to open in June 2016. Time Warner is removing the City and other tenants from a ____ square foot building adjacent to the Wal-Mart site. Time Warner is expected to retrofit the building for a customer service center slated to host ___ permanent jobs.

In fiscal years 2009 through 2012, General Fund expenditures exceeded General Fund revenues. In fiscal years 2012-13 and 2013-14, General Fund revenues exceeded General Fund expenditures. The following Table 2 sets forth revenues and expenditures for Total Governmental Funds and the General Fund during Fiscal Years 2009-10 through 2014-15.

TABLE 2
Total Governmental Funds And General Fund
Revenues And Expenditures [1]
Fiscal Years 2008-09 Through 2014-15
($ in millions)

	Total Governmental Funds			General Fund		
	Revenues	Expenditures	Surplus/(Deficit)	Revenues	Expenditures	Surplus/(Deficit)
2008-09	$123.41	$133.92	$(10.51)	$48.49	$58.67	$(10.18)
2009-10	137.18	184.64	(47.46)	61.15	70.00	(8.85)
2010-11	125.63	170.80	(45.17)	44.19	69.18	(24.99)
2011-12	149.86	162.27	(12.41)	44.35	47.98	(3.63)
2012-13	149.57	157.23	(7.66)	46.61	45.40	1.21
2013-14	153.22	157.64	(4.42)	52.33	50.79	1.54
2014-15	152.45	155.67	(3.22)	59.45	58.79	0.66*

Source: City of Compton

(1) Excludes Transfers In and Transfers Out
(*) The figures for fiscal year 2014-15 are estimates provided by the City of Compton

City Audit History

Fiscal Year 2011. In December 2011, the then Mayor of the City sent a letter to the State Controller alleging waste, fraud, and abuse of public monies. Mayer Hoffman McCann, P.C., the independent accounting firm retained to audit the City's financial statements for the fiscal year ended June 30, 2011 (the "2011 Financial Statements"), did not receive responses to audit inquiries it posed to the Mayor.

On June 27, 2012, Mayer Hoffman McCann, P.C. issued its Independent Auditors' Report stating that it was "unable to determine the financial impact of [the Mayor's] allegation on the [2011 Financial Statements]" and that the City "did not take steps necessary to evaluate the financial impact of the allegation made, nor did the Mayor of the City of Compton respond to audit inquiries made." The Independent Auditors' Report stated that Mayer Hoffman McCann, P.C. was "unable to satisfy [itself] about these matters by means of other audit procedures" and that, because of the significance of such matters, "the scope of [its] work was not sufficient to enable [it] to express, and [it does] not express, an opinion on [the 2011 Financial Statements]." The Independent Auditors' Report also stated that the 2011 Financial Statements "have been prepared assuming that the City will continue as a going concern" and cited "substantial doubt about the City's ability to continue as a going concern." Following the issuance of its Independent Auditors' Report, Mayer Hoffman McCann, P.C. resigned from its position as auditor.

Because Mayer Hoffman McCann, P.C. did not express an opinion on the 2011 Financial Statements, the City Council of the City of Compton resolved in May 2013 to retain unchanged the 2011 Financial Statements with the Mayer Hoffman McCann, P.C. "no-opinion" report included. It is noteworthy that the California State Controller stated in a letter dated February 12, 2013 that the City's "audit satisfies all financial and compliance audit requirements under individual federal award

programs." A copy of said letter may be found on page 56 of materials found at the following website: http://www.comptoncity.org/agenda/2013/05_2013/131405/21098205092013074429372.pdf.

As noted in the Independent Auditors' Report related to the City's financial statements for the fiscal year ended June 30, 2011 (the "2011 Financial Statements"), the City suffered "substantial recurring losses in its General Fund." The 2011 Financial Statements evidence negative ending fund balances for the General Fund and certain enterprise and non-major governmental funds. During fiscal year 2010-11, the City temporarily borrowed from other City governmental funds and internal service funds (but not enterprise funds) and used certain certificate of participation proceeds to fund General Fund expenditures. The ending fiscal year 2011 negative General Fund balance of approximately $41.2 million included, among other things, the net interfund liability of approximately $28.3 million, the accounts payable in the amount of $12.6 million, and accrued liabilities of approximately $3.3 million. The Independent Auditors' Report related to the 2011 Financial Statements noted, among other things, that the amount of deficits, interfund liabilities, accounts payable and accrued liabilities within the General Fund indicated "significant liquidity problems" as of June 30, 2011. The City's fiscal year 2010-11 Financial Statements and the Independent Auditors' Report related thereto are attached hereto as Appendix C-1.

Fiscal Year 2012. On December 20, 2011, the City Council approved a twenty year amortization schedule and authorized the repayment of approximately $41.92 million that the City's General Fund owed to various internal funds of the City. All payments pursuant to this amortization schedule have been paid when due. A second resolution was later adopted on July 17, 2014 amending the amortization schedule, reducing the amortization schedule from a payment period of twenty years to fifteen years. This change was made pursuant to the advice of Macias Gini & O'Connell LLP ("MGO"), the City's independent auditor, hired on November 6, 2012.

During the fiscal year ended June 30, 2012, the City continued to experienced stress on its general fund. The City's unaudited, internally prepared, financial statements for the fiscal year ended June 30, 2012, which are included as part of the City's Financial Report for the Month of June 2012 (the "2012 Financial Statements"), reflect for fiscal year 2012 total City-wide revenues of approximately $149.86 million and total City-wide expenditures of approximately $162.27 million, representing an approximately $12.41 million deficit. The 2012 Financial Statements reflect General Fund revenues of approximately $44.35 million and General Fund expenditures of approximately $47.98 million for fiscal year 2012, representing an approximately $3.63 million deficiency of revenues under expenditures. On July 24, 2014 the City received a completed, clean audit from MGO for fiscal year 2011-12. The fiscal year 2011-12 audit is attached hereto as Exhibit C-2.

Fiscal Year 2013. During the fiscal year ended June 30, 2013, the City Council adopted measures projected to reduce expenditures and increase revenues. Those projections were expected to result in a General Fund deficit of approximately $1.9 million as of June 30, 2013. However, the City's General Fund experienced an actual surplus of revenues over expenditures in an amount equal to approximately $1.2 million for Fiscal Year 2013. However, as of June 30, 2013, the City's General Fund still suffered from a cumulative negative fund balance of approximately ($29,353,134). The cumulative negative fund balance of approximately ($29,353,134) did not reflect an additional approximately $13.8 million that a related fund titled the General Liability Income Fund owed to the Pooled General Checking Account. Including the General Liability Income Fund liability the combined cumulative total amount owed to other funds and accounts was is approximately ($43.15 million) at the end of fiscal year 2012. Is this part of the repayment the council passed a resolution to deal with? Yes

The City's fiscal year 2012-13 audit is expected to be complete and delivered to the City by MGO in July 2015. The City's unaudited, internally prepared, Financial Report for the Month of June 2013, which includes financial information through June 30, 2013, is attached hereto as Appendix C-3.

Fiscal Year 2014. For the fiscal year ending June 30, 2014, the City approved a budget projecting a General Fund surplus of revenues over expenditures of approximately $695,000. However, based upon unaudited, internally prepared, financial statements for the fiscal year ended June 30, 2014, which are included as part of the City's Financial Report for the Month of May 2014, the City now projects a General Fund surplus of revenues over expenditures of approximately $1,500,000. The City continues to consider and implement best practices whenever possible and examine ways to enhance revenue and contain costs in order to continue building the fund balance. The City's unaudited, internally prepared, Financial Report for the Month of June 2014, which includes financial information through June 30, 2014, is attached hereto as Appendix C-4. The City's auditors will begin the preparation of the fiscal year 2013-14 audit immediate after the completion of the Fiscal Year 2012-13 audit and is expected to be completed by January 2016.

Fiscal Year 2015. During fiscal year 2014-15 the City continued its fiscal recovery through the implementation of expenditure monitoring and control. When adopted, the City budget anticipated a minimal fiscal year surplus of $100,000. However, actual surplus as of June 30, 2015 is estimated to be $600,000. During the fiscal year 2014-15, the City met all its obligations including the part payment of $4.5 million to the Los Angeles County regarding liability arising from the dissolution of the formal Redevelopment Agency. The City's unaudited, internally prepared, Financial Report for the Month of May 2015, which includes financial information through May 31, 2015, is attached hereto as Appendix C-5.

See _____ -Redevelopment Agency.

Fiscal Year 2015-16. How is this being handled? The City anticipates increasing its fees for services provided to businesses and individuals to make the fees comparable to those of neighboring cities. Some of the fees have not been revised for several years. This initiative is expected to increase General Fund revenues by $500,000. The Council recently passed a resolution establishing development impact fee to ensure that developers pay development fees to the City for the maintenance of City parks and other services. The development impact fees will lead to reduction in the amount of General Fund revenues utilized to maintain City parks and services. Further, the City has initiated steps to put a ballot measure before the electorate in the November election to increase the sales and use tax rate in the City. The increased sales and use tax will provide funds for reconstruction and maintenance of the City's streets, parks and other critical services and will relieve the General Fund of expenditure previously made for parks maintenance and the provision of certain services. The City will continuously monitor revenue and expenditures trends during the fiscal year 2015-16 and will immediately implement further expenditure containment programs if needed.

No assurance can be made, however, that such efforts of the City will be successful in improving the City's financial condition. See "RISK FACTORS — Enforceability of Remedies" herein.

Impact on Ratings

PROVIDE UPDATED INFORMATION In September 2012, Standard & Poor's Rating Services ("Standard & Poor's"), which has rated the City's outstanding lease revenue, water and sewer bonds, and the City's redevelopment agency tax allocation debt, announced that it had suspended its long-term and underlying ratings on such bonds because the City had yet to obtain an audit firm to

provide an opinion on the fair presentation of and application of generally accepted accounting principles to the 2011 Financial Statements. In November 2012, Moody's Investors Service, Inc. ("Moody's"), which rated the City's Series 1998 sewer enterprise revenue refunding bonds, announced that it too had suspended its rating of such bonds due to a lack of or inadequate information to support the rating. No assurance can be given as to when or if Standard & Poor's or Moody's will reinstate their ratings on the City's bonds or if such a rating will reflect a change from the City's most recent rating.

See APPENDIX C-1: "CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011," APPENDIX C-2: "CITY OF COMPTON AUDITED FINANCIALS FOR THE FISCAL YEAR ENDING JUNE 2012," and APPENDIX C-3: "CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013 AND C-4 "CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF MAY 2014" attached hereto for more information related to the City's financial results for the fiscal year ended June 30, 2011, fiscal year ended June 30, 2012, for the fiscal year ended June 30, 2013, for the fiscal year ended June 2014 through May 31, 2014.

RISK FACTORS

The following information should be considered by the Purchaser in evaluating the Notes. However, this information does not purport to be an exhaustive listing of the risks and other considerations which may be relevant to an investment in the Notes. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of such factors.

No Rating

NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. SEE "THE NOTES — SECURITY AND SOURCES OF PAYMENT FOR THE NOTES" HEREIN.

Limited Transfer or Exchange of Notes

Pursuant to the Resolution and the Accompanying Document, the Notes may not be transferred or exchanged except to an "accredited investor" as defined in Rule 501 of the Securities Act. The purchasers of the Notes will be required to execute an investment letter, the form of which is attached hereto as Appendix F. The Resolution and the Accompanying Document contain additional restrictions on transfer and exchange of the Notes. A signed copy of the Resolution and the form of the Accompanying Document are included as exhibits to this Limited Offering Memorandum and each should be reviewed carefully prior to making an investment in the Notes.

City Audit Delays

UPDATED As discussed above in "CITY FISCAL UPDATE," the City has experienced recurring losses in its General Fund for the 2009 through 2012 fiscal years, and has deficit balances in its General Fund, enterprise funds, and non-major governmental fund. The City has had a history of delayed audits and in the FY 2010-11, the auditors (Mayer Hoffman, McCann P.C.) resigned from the audit and did not issue an opinion on the 2010-11 financial statements of the City. The City engaged Macias Gini and O'Connell LLP (MGO). In 2014 the City received the audited financial

statements for the Fiscal Year Ended June 30, 2012 in which the auditors (Macias Gini and O'Connell LLP) expressed a clean opinion on the 2012 financial statements. MGO commenced audit of the 2012-13 financial statements in February 2015 and has completed the field work portion of the audit. The signed financial statements for fiscal year 2012-13 is expected in July 2015. The fiscal year 2013-14 audit is expected to commence by October 2015 and completed by January 2016. However, there is no guaranty that these audits will be delivered by the projected delivery dates. After completion of the 2013-14 audit, MGO will be engaged for the fiscal year 2014-15 audit. The delivery date for the fiscal year 2014-2015 has not been established with the auditors (MGO).

City Unrestricted Revenue

The Notes are general obligations of the City payable only out of Unrestricted Revenues received or accrued by (or allocable to) the City during Fiscal Year 2015-16 that are lawfully available for payment of the Notes and the interest thereon. However, continued liquidity constraints affecting the City and the General Fund could have a material adverse effect on the City's ability to pay principal of and interest on the Notes when due in the event Unrestricted Revenues received or accrued by (or allocable to) the City during Fiscal Year 2015-16 are insufficient to cover all of the city's budgeted and unbudgeted financial needs.

See "CITY FISCAL UPDATE" and "RISK FACTORS — Enforceability of Remedies" herein.

Current and Future Obligations

The City is currently liable and may become liable on other obligations payable from General Fund revenues, such as employee salaries and benefits. To the extent that additional obligations are incurred by the City, the revenues available for the City to pay such obligations may be decreased subsequent to the payment of principal of and interest on the Notes when due. See "APPENDIX A: FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF COMPTON" attached hereto for a description of certain other obligations of the City, including its unfunded accrued actuarial liabilities with respect to post-employment benefits.

City 2008 Lease Revenue Bonds Audit Exposure/VCAP Proceedings

INSERT DESCRIPTION OF STATUS – Blake or Craig Cornwell.

No Liability of County

No County funds are pledged to the payment of principal of and interest on the Notes. The County Collected Revenues are received by the County on behalf of the City and will be deposited as provided in the Direction Letter into the Repayment Fund held in trust by the Trustee under the Trust Agreement.

Enforceability of Remedies

The rights of the Owner of the Notes are subject to the limitations on legal remedies against cities and counties in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Additionally, enforceability of the rights and remedies of the Owner of the Notes, and the obligations incurred by the City, may become subject to

the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against cities and counties in the State. Bankruptcy proceedings, if initiated, or the exercise of powers by the federal, State or City government, could subject the Owner of the Notes to judicial discretion and interpretation of its rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of rights. The opinion of Bond Counsel to the City, the proposed form of which is attached hereto as "APPENDIX D: FORM OF OPINION OF BOND COUNSEL", is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditors' rights. See "CITY FISCAL UPDATE" and "RISK FACTORS herein.

Los Angeles County Treasury Pool

The Los Angeles County Treasury Pool is among the Permitted Investments in which Note proceeds may be invested. See "THE NOTES — Repayment Fund" herein. On January 24, 1996, the United States Bankruptcy Court for the Central District of California held in the case of *County of Orange v. Merrill Lynch* that a State statute providing for a priority of distribution of property held in trust conflicted with, and was preempted by, federal bankruptcy law. In that case, the court addressed the priority of the disposition of moneys held in a county investment pool upon bankruptcy of the county, but was not required to directly address the State statute that provides for the lien in favor of holders of tax and revenue anticipation notes. The Trustee will be in possession of certain Unrestricted Revenues that are pledged and will be set aside to repay the Notes and, following payment of these funds to the Trustee, these funds may be invested in the name of the Trustee for a period of time in the Los Angeles County Treasury Pool, a Permitted Investment. In the event of a petition for the adjustment of County debts under Chapter 9 of the Bankruptcy Code, a court might hold that the Owner of the Notes does not have a valid and prior lien on such pledged amounts where such amounts are deposited in the Los Angeles County Treasury Pool and may not provide the Owner with a priority interest in such amounts. Such pledged amounts may not be available for payment of principal of and interest on the Notes unless the Owner could "trace" the funds from the Repayment Fund that have been deposited in the Los Angeles County Treasury Pool. There can be no assurance that the Owner of the Notes could successfully so "trace" the pledged amounts.

Taxation of Notes

An opinion of Gonzalez Saggio & Harlan LLP, Bond Counsel, has been obtained to the effect that, subject to the limitations and conditions described herein, interest on the Notes is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions, as noted in "TAX MATTERS" herein. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

An application for a ruling from the Internal Revenue Service regarding the tax-exempt status of the interest on the Notes has not been made, and an opinion of counsel is not binding upon

the Internal Revenue Service. The opinion of Gonzalez Saggio & Harlan LLP, Bond Counsel, is based upon certain representations made by the City, officials of the City. If these representations or opinions are incorrect, interest on the Notes could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. The opinion of Bond Counsel is subject to the condition that the City comply with all requirements of the Code, compliance with which subsequent to the issuance of the Notes is necessary in order that the interest thereon be, and continue to be, excludible from the gross income of the owners thereof for federal income tax purposes. There can be no guarantee that the City will not violate such requirements and thereby cause interest on the Notes to become includable in gross income for federal income tax purposes, in some cases retroactive to the date of issuance of the Notes. In addition, there can be no guarantee that present advantageous provisions of the Code or the rules and regulations thereunder will not be adversely amended or modified, thereby rendering the interest earned on the Notes includable in gross income for federal income tax purposes. Gonzalez Saggio & Harlan LLP, Bond Counsel, has expressed no opinion regarding any other federal tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, the acquisition or disposition of, or otherwise arising with respect to, the Notes. For a description of collateral federal income tax consequences to certain taxpayers, see "TAX MATTERS" herein.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS

Article XIII A

On June 6, 1978, California voters approved Proposition 13, adding Article XIII A to the California Constitution. Article XIII A, among other things, affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975/76 tax bill under 'full cash value,' or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data for the area under taxing jurisdiction, or reduced in the event of declining property value caused by substantial damage, destruction or other factors including a general economic downturn. Any reduction in assessed value is temporary and may be adjusted for any given year by the Assessor. The assessed value increases to its pre-reduction level (escalated to the annual inflation rate of no more than two percent) following the year(s) for which the reduction is applied. Article XIII A further limits the amount of any *ad valorem* tax on real property to 1% of the full cash value except that additional taxes may be levied to pay (i) debt service on indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition; and (iii) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district or county, as appropriate, but only if certain accountability measures are included in the proposition.

On June 3, 1986, California voters approved Proposition 46, which added an additional exemption to the 1% tax limitation imposed by Article XIII A. Under this amendment to Article XIII A, local governments and school districts may increase the property tax rate above 1% for the period necessary to retire new general obligation bonds, if two-thirds of those voting in a local election approve the issuance of such bonds and the money raised through the sale of the bonds is used exclusively to purchase or improve real property.

Legislation enacted by the California Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Limited Offering Memorandum (except as noted) is shown at 100% of assessed value and all general tax rates reflect the $1 per $100 of taxable value. Tax rates for voter approved bonded indebtedness are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIII A (new construction, change of ownership, 2% annual value growth) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts will share the growth of "base" revenue from the tax rate area. Each year's growth allocation becomes part of each agency's allocation the following year. The City is unable to predict the nature or magnitude of future revenue sources which may be provided by the State to replace lost property tax revenues. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIII B

On November 6, 1979, California voters approved Proposition 4, which added Article **XIII B** to the California Constitution. In June 1990, the voters through their approval of Proposition 111 amended Article XIII B. Article XIII B of the California Constitution limits the annual appropriations of the State and any city, county, school district, special district, authority or other political subdivision of the State (e.g. local governments) to the level of appropriations for the prior fiscal year, as adjusted annually for changes in the cost of living, population and services rendered by the governmental entity. The "base year" for establishing such appropriation limit is the 1978-79 fiscal year. Increases in appropriations by a governmental entity are also permitted (i) if financial responsibility for providing services is transferred to a governmental entity, or (ii) for emergencies so long as the appropriations limits for the three years following the emergency are reduced accordingly to prevent any aggregate increase above the Constitutional limit. Decreases are required where responsibility for providing services is transferred from the government entity.

Appropriations subject to Article XIII B include generally any authorization to expend during the fiscal year the proceeds of taxes levied by or for the State, exclusive of certain State subventions for the use and operation of local government, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. Appropriations subject to limitation of an entity of local government include any authorization to expend during a fiscal year the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity and refunds of taxes. Appropriations subject to limitation pursuant to Article XIII B do not include debt service on indebtedness existing or legally authorized as of January 1, 1979, on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for such purpose, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified outlay projects, and appropriations by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to any entity of government from (i) regulatory licenses, user charges, and user fees to the extent such proceeds exceed the cost of providing the service or regulation, (ii) the investment of tax revenues and (iii) certain State subventions received by local governments.

Article XIII B includes a requirement pursuant to which fifty percent (50%) of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the

amount which may be appropriated by the State in compliance with Article XIII B during that fiscal year and the fiscal year immediately following it shall be transferred and allocated, from a fund established for that purpose, pursuant to Article XVI of the State Constitution. In addition, fifty percent (50%) of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount which may be appropriated by the State in compliance with Article XIII B during that fiscal year and the fiscal year immediately following it shall be returned by revising tax rates or fee schedules within the next two subsequent fiscal years. Further, Article XIII B includes a requirement that all revenues received by an entity of government, other than the State, in a fiscal year and in the fiscal year immediately following it that exceed the amount which may be appropriated by that entity in compliance with Article XIII B during that fiscal year and the fiscal year immediately following it shall be returned by revising tax rates or fee schedules within the next two subsequent fiscal years.

As amended in June 1990, the appropriations limit for a county in each year is based on the limit for the prior year, adjusted annually for changes in the costs of living and changes in population, and adjusted, where applicable, for transfer of financial responsibility of providing services to or from another unit of government. The change in the cost of living is, at the county's option, either (i) the percentage change in California per capita personal income from the preceding fiscal year, or (ii) the percentage change in the local assessment roll from the preceding fiscal year for the jurisdiction due to the addition of local nonresidential new construction. Pursuant to the Revenue and Taxation Code, the State's Department of Finance annually transmits to each city and each county an estimate of the percentage change in the population of the city or the county.

Article **XIII B** permits any government entity to change the appropriations limit by vote of the electorate in conformity with statutory and Constitutional voting requirements, but any such voter-approved change can only be effective for a maximum of four years.

The City's maximum appropriation limit for the Fiscal Year 2015-16 is approximately $89 million. The limitation applies only to proceeds of taxes and therefore does not apply to regulatory licenses, user charges, user fees and service fees and charges that do not exceed the reasonable cost of services, investment earnings on non-proceeds of taxes, fines, and revenue from the sale of property and taxes received from the State and federal governments that are tied to special programs. City Council will consider a resolution regarding the appropriations limit for Fiscal Year 2015-16 that will project proceeds of taxes for Fiscal Year 2015-16 in an amount below the Article **XIII B** limit.

Proposition 62

Proposition 62 was adopted by the California voters at the November 4, 1986, general election and (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes imposed for specific purposes) imposed by a local government entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A of the California Constitution, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, and (f) required that any tax imposed by a local governmental entity on or after August 1, 1985, be ratified by a majority vote of

the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in the case of *Santa Clara County Local Transportation Authority v. Guardino ("Guardino"),* upheld the constitutionality of Proposition 62. In *Guardino,* the court held that a county-wide sales tax of one-half of one percent was a special tax that, under Section 53722 of the Government Code, was invalid without the required two-thirds voter approval. The decision did not address the question of whether or not it should be applied retroactively. Since the adoption of Proposition 62, the City has enacted increases in taxes in compliance therewith.

Following the California Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al. ("La Habra").* In *La Habra,* the court held that public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes that are subject to Proposition 62 is three years. Accordingly, a challenge to a tax that is subject to Proposition 62 may only be made for those taxes collected within three years of the date the action is brought. The City does not believe that any of its taxes are subject to Proposition 62.

Proposition 218

On November 5, 1996, the California voters approved Proposition 218, a constitutional initiative entitled the "Right to Vote on Taxes Act" ("Proposition 218"). Proposition 218 added Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions limiting the ability of local governments, including the City, to impose and collect both existing and future taxes, assessments, fees and charges. The City is unable to predict whether and to what extent Proposition 218 may be held to be constitutional or how its terms will be interpreted and applied by the courts. Proposition 218 could substantially restrict the City's ability to raise future revenues and could subject certain existing sources of revenue to reduction or repeal, and increase the City's costs to hold elections, calculate fees and assessments, notify the public and defend its fees and assessments in court. Further, as described below, Proposition 218 provides for broad initiative powers to reduce or repeal local taxes, assessments, fees and charges, which are among the sources of the County Collected Revenues pledged to the payment of principal of and interest on the Notes. However, other than any impact resulting from the exercise of this initiative power, the City does not presently believe that the potential impact on the financial condition of the City as a result of the provisions of Proposition 218 will adversely affect the City's ability to pay principal of and interest on the Notes and perform its other obligations as and when due.

Article XIII C requires that all new, extended, or increased local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City require a majority vote of the electorate and taxes for specific purposes, even if deposited in the City's General Fund, require a two-thirds vote of the electorate. These voter approval requirements of Proposition 218 reduce the flexibility of the City to raise revenues through General Fund taxes, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure requirements.

Article XIII C also expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed. This extension of the initiative power is not limited by the terms of Proposition 218 to local taxes, assessments, fees or charges imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. The City does not believe that any existing taxes imposed by the City, the proceeds of which are deposited into the City's General Fund will be affected by the voter approval requirements of Proposition 218. The City believes that the voter approval requirement of Proposition 218 reduces the flexibility of the City to raise revenues for the General Fund. No assurances can be given that the City will impose, extend or increase such taxes in the future to meet increased expenditure needs.

The repeal of local taxes, assessments, fees or charges could be challenged as a violation of the prohibition against impairing contracts under the contract clause of the United States Constitution. Subsequent to the amendment of Article XIII C, the State Legislature approved SB 919 (the "Proposition 218 Omnibus Implementation Act"), which directed that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after November 6, 1998, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. However, no assurance can be given that the voters of the City will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges that are or will be deposited into the City's General Fund. Further, "fees" and "charges" are not defined in Article XIII C or Proposition 218 Omnibus Implementation Act, and it is unclear whether these terms are intended to have the same meanings for purposes of Article XIII C as they do in Article XIII D, as described below. Accordingly, the scope of the initiative power under Article XIII C could include all sources of General Fund moneys not received from or imposed by the federal or State government or derived from investment income.

The initiative power granted under Article XIII C, by its terms, applies to all local taxes, assessments, fees and charges and is not limited to local taxes, assessments, fees and charges that are property related. The City is unable to predict whether the courts will interpret the initiative provision to be limited to property related fees and charges. No assurance can be given that the voters of the City will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges which are deposited into the City's General Fund.

Article XIII D added several requirements that generally made it more difficult for local agencies, such as the City, to levy and maintain "assessments" for municipal services and programs. "Assessment" is defined in Proposition 218 and the Proposition 218 Omnibus Implementation Act (as enacted in Government Code Section 53750) to mean any levy or charge upon real property for a special benefit conferred upon the real property. This includes maintenance assessments imposed in City service areas and in special districts. In most instances, in the event that the City is unable to collect assessment revenues relating to specific programs as a consequence of Proposition 218, the City will curtail such services rather than use amounts in the General Fund to finance such programs. Accordingly, the City anticipates that any impact Article XIII D may have on existing or future taxes, fees, and assessments will not adversely affect the ability of the City to pay the principal of and interest on the Notes, as and when due. However, no assurance can be given that the City may or will be able to reduce or eliminate such services to avoid new costs for the City General Fund in the event the assessments that presently finance them are reduced or repealed.

Article XIII D also added several provisions affecting "fees" and "charges" which are defined as "any levy other than an *ad valorem tax,* a special tax, or an assessment, imposed by an agency (subdivision (a) of Section 2 of Article XIII D defines an agency as any local government as defined in subdivision (b) of Section 1 of Article XIIIC) upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service." All new fees and charges and, after June 30, 1997, all existing property related fees and charges that are extended, imposed or increased must conform to requirements prohibiting, among other things, fees and charges which (i) generate revenues exceeding the funds required to provide the property related service, (ii) are used for any purpose other than those for which the fees and charges are imposed, (iii) are for a service not actually used by, or immediately available to, the owner of the property in question, or (iv) are used for general governmental services, including police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Further, before any property related fee or charge may be imposed or increased, written notice must be given to the record owner of each parcel of land affected by such fee or charge. The City must then hold a hearing upon the proposed imposition or increase of such property-related fee or charge, and if written protests against the proposal are presented by a majority of the owners of the identified parcels, the City may not impose or increase the fee or charge. The City does not expect to collect such fees or charges in Fiscal Year 2015-16. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges, the revenues and proceeds of which comprise a significant part of the City's General Fund.

Additional implementing legislation respecting Proposition 218 may be introduced in the State legislature from time to time that would amend and supplement and add provisions to California statutory law. No assurance may be given as to the terms of such legislation or its potential impact on the City.

Proposition lA

Proposition 1A ("Proposition 1A"), proposed by the Legislature as a Senate Constitutional Amendment in connection with the 2004-05 Budget Act and approved by California voters in November 2004, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition IA generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature. Proposition 1 A provides, however, that beginning in fiscal year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses of the State Legislature and certain other conditions are met. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition IA also provides that if the State reduces the VLF rate below 0.65 percent of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition IA requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates. The State's ability to initiate future exchanges and shifts of funds will be limited by Proposition 22. See " — Proposition 22" below.

Proposition 22

Proposition 22 ("Proposition 22"), which was approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State General Fund or any other State fund. Due to the prohibition with respect to State's ability to take, reallocate, and borrow money raised by local governments for local purposes, Proposition 22 supersedes certain provisions of Proposition IA of 2004. See " — Proposition IA" herein. In addition, Proposition 22 generally eliminates the State's authority to temporarily shift property taxes from cities, counties, and special districts to schools, temporarily increase school and community college district's share of property tax revenues, prohibits the State from borrowing or redirecting redevelopment property tax revenues or requiring increased pass-through payments thereof, and prohibits the State from reallocating vehicle license fee revenues to pay for State-imposed mandates. In addition, Proposition 22 requires a two-thirds vote of each house of the State Legislature and a public hearing process to be conducted in order to change the amount of fuel excise tax revenues shared with cities and counties. The LAO states that Proposition 22 will prohibit the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies.

Proposition 22 prohibits the State from borrowing sales taxes or excise taxes on motor vehicle fuels or changing the allocations of those taxes among local government except pursuant to specified procedures involving public notices and hearings. In addition, Proposition 22 requires that the State apply the formula setting forth the allocation of State fuel tax revenues to local agencies revert to the formula in effect on June 30, 2009. The City does not believe that Proposition 22 will have a significant impact on its revenues and expenditures during Fiscal Year 2015-16.

Proposition 26

Proposition 26 ("Proposition 26"), which was approved by California voters on November 2, 2010, revises the California Constitution to expand the definition of "taxes." Proposition 26 re-categorizes many State and local fees as taxes and specifies a requirement of two-thirds voter approval for taxes levied by local governments.

Proposition 26 requires the State obtain the approval of two-thirds of both houses of the State Legislature for any proposed change in State statutes, which would result in any taxpayer paying a higher tax. Proposition 26 eliminates the previous practice whereby a tax increase coupled with a tax reduction that resulted in an overall neutral fiscal effect was subject only to a majority vote in the State Legislature. Furthermore, pursuant to Proposition 26, any increase in a fee above the amount needed to provide the specific service or benefit is deemed to be a tax and the approval thereof will require such two-thirds vote of approval to be effective. In addition, for State imposed fees and charges, any fee or charge adopted after January 1, 2010 with a majority vote of approval of the State Legislature which would have required a two-thirds vote of approval of the State Legislature if Proposition 26 were effective at the time of such adoption is repealed as of November 2011 absent the re-adoption by the requisite two-thirds vote.

Proposition 26 amends Article XIII C of the State Constitution to state that a "tax" means a levy, charge or exaction of any kind imposed by a local government, except (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not

charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property or the purchase rental or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (6) a charge imposed as a condition of property development; or (7) assessments and property related fees imposed in accordance with the provisions of Proposition 218. See " — Proposition 218" herein.

Proposition 26 applies to any levy, charge or exaction imposed, increased, or extended by local government on or after November 3, 2010, unless exempted, as stated above. Accordingly, fees adopted prior to that date are not subject to the measure until they are increased or extended or if it is determined that an exemption applies. As of the date hereof, none of the City's fees or charges has been challenged in a court of law in connection with the requirements of Proposition 26.

If the local government specifies how the funds from a proposed local tax are to be used, the approval will be subject to a two-thirds voter requirement. If the local government does not specify how the funds from a proposed local tax are to be used, the approval will be subject to a fifty percent voter requirement. Proposed local government fees that are not subject to Proposition 26 generally are subject to the approval of a majority of the governing body. In general, proposed property charges will be subject to a majority vote of approval by the governing body although certain proposed property charges will also require approval by a majority of the affected property owners.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, Proposition 111, Proposition I A, Proposition 62, Proposition 22, and Proposition 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, further affecting revenues of the City or the City's ability to expend revenues. The nature and impact of these measures cannot be predicted by the City.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Gonzalez Saggio & Harlan LLP Bond Counsel to the City, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, interest on the Notes is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the City in connection with the Notes, and Bond Counsel has assumed compliance by the City with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Bond Counsel expresses no opinion regarding any other Federal or state tax consequences with respect to the Notes. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, or any facts or circumstances that may thereafter come to its attention, or changes in law or in interpretations thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion on the effect of any action thereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for Federal income tax purposes of interest on the Notes, or under state and local tax law.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on such Notes be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Notes, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the Federal government. Noncompliance with such requirements may cause interest on the Notes to become included in gross income for Federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The City has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral Federal income tax matters with respect to the Notes. It does not purport to address all aspects of Federal taxation that may be relevant to a particular owner of a Note. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of owning and disposing of the Notes.

Prospective owners of the Notes should be aware that the ownership of such obligations may result in collateral Federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for Federal income tax purposes. Interest on the Notes may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Notes. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding", which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Note through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Notes from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Notes under Federal or state law or otherwise prevent beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, sale, execution and delivery by the City of the Notes are subject to the approval of Gonzalez Saggio & Harlan LLP, Bond Counsel. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of the Limited Offering Memorandum. Certain other legal matters will be passed upon for the City by the City Attorney, by the City's Disclosure Counsel, Gonzalez Saggio & Harlan LLP, Los Angeles, California, and for the underwriter by its counsel Bell & Washington, Atlanta, Georgia.

FINANCIAL ADVISOR

The City has retained Comer Capital Group, LLC, of Jackson, Mississippi, as financial advisor (the "Financial Advisor") in connection with the issuance of the Notes. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained in this Limited Offering Memorandum.

Corner Capital Group, LLC is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities.

UNDERWRITING

Under the Bond Purchase Agreement, IFS Securities, Inc., Atlanta, Georgia (the "Underwriter"), will purchase the Notes at a price of _____, less an Underwriter's discount of ____ percent (__%). The Underwriter reserves the right to join with dealers and other underwriters in offering the Notes. The Underwriter may offer and sell Notes to certain dealers at prices lower than the public offering price or otherwise allow concessions to such dealers who may re-allow concessions to other dealers.

The City has agreed to indemnify the Underwriter against certain civil liabilities, including certain liabilities under federal securities laws. Under existing statutes, regulations, and court decisions, the enforceability of such an agreement to indemnify is uncertain.

UPDATE LITIGATION – Craig Cornwell

No litigation is pending or, to the best of the knowledge of the City, threatened concerning the validity of the Notes, and an opinion of the City Attorney to that effect will be furnished to the Purchaser at the time of the original delivery of the Notes. The City is not aware of any litigation pending or threatened questioning its political existence or contesting its ability to levy and collect *ad valorem* taxes or to collect or receive the County Collected Revenues or contesting its ability to pay the principal of and interest on the Notes. However, the City is routinely involved in certain disputes relating to its day-to-day operations. See "APPENDIX A: FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF COMPTON — OTHER FISCAL INFORMATION — Litigation" attached hereto.

NO RATING

NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. SEE "THE NOTES — SECURITY AND SOURCES OF PAYMENT FOR THE NOTES", "CITY FISCAL CRISIS" AND "RISK FACTORS" HEREIN.

CONTINUING DISCLOSURE

The City has agreed in the Resolution and has covenanted in the Continuing Disclosure Agreement for the benefit of the Owner of the Notes to provide notices of the occurrence of certain Listed Events. Pursuant to the Continuing Disclosure Agreement, the notices of Listed Events will be filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access ("EMMA") system or to another repository designated by the MSRB or the SEC within 10 Business Days. The City's obligations under the Continuing Disclosure Agreement will terminate upon payment in full of all of the Notes without any requirement to provide notice to the Owner of the Notes. If such termination occurs prior to the final maturity of the Notes, the City will give notice of such termination in the same manner as for a Listed Event. See "APPENDIX E: FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto.

UPDATE – NO CHANGE During the past four fiscal years, the City has failed to timely file certain annual reports, notices of failure to file annual reports, and notices of rating changes required to be filed pursuant to continuing disclosure agreements entered into by the City and the respective dissemination agents thereunder pursuant to the Rule for the City's Sewer Revenue Refunding Bonds, Series 1998 (the "Series 1998 Sewer Bonds"), Sewer Revenue Bonds, Series 2009 (the "Series 2009 Sewer Bonds"), and Water Revenue Bonds, Series 2009 (the "Series 2009 Water Bonds" and, together with the Series 2009 Sewer Bonds, the "Series 2009 Bonds"). Although they were filed past the due date, the City has filed its financial information in accordance with the continuing disclosure agreements related to the Series 1998 Bonds and the Series 2009 Bonds for fiscal years 2009 through 2012, but the City has not filed certain additional operating data required by the continuing disclosure agreement related to the Series 1998 Bonds for the 2010 through 2012 fiscal years. And, although the City failed to file certain notices within the time required by the continuing disclosure agreements, the dissemination agent for the City has notified the MSRB of those failures, and the dissemination agent for the City has also filed the required notices (i.e. a Notice of Rating Change related to Standard & Poor's and Moody's rating withdrawals on the Series 1998 Sewer Bonds and the Series 2009 Bonds was posted on EMMA on December 11, 2012).

In addition to the City's continuing disclosure obligations related to the Series 1998 Bonds and the Series 2009 Bonds, the City was required to file monthly financial information with EMMA related to the City's financial results for the months of February through May, 2013 in connection with the City's issuance of its 2012-13 Tax and Revenue Anticipation Notes . The City timely filed those required monthly disclosure reports.

See http://emma.msrb.org for a complete history of the City's continuing disclosure filings.

FINANCIAL STATEMENTS

APPENDIX C-1: “CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011," APPENDIX C-2, “CITY OF COMPTON AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDING JUNE 2012," APPENDIX C-3: “CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE MONTH OF JUNE 2013” AND C-4: “CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE MONTH OF MAY 2014” are attached hereto.

UPDATED Please note that Mayer Hoffman McCann, P.C.'s Independent Auditors' Report related to the 2011 Financing Statements expresses no opinion on whether the 2011 Financial Statements present fairly, in all material respects, the financial position of the City at June 30, 2011 and certain related matters. Please see "CITY FISCAL CRISIS" above for more information.

The City's Financial Report for the Month of June 30, 2011, the City's Financial Report for the Month of June 30, 2013 and the City's Financial Report for the Month of May 31, 2014 reflect unaudited financial data prepared by the City Controller that has not been reviewed by an independent auditor. No assurances can be given that the review of the City's financial data by an independent auditor will yield the same or similar results.

The City has not requested nor has the City obtained the consent of Mayer Hoffman McCann, P.C. to the inclusion of its report attached hereto as Appendix C-1. Further, the inclusion of its report as Appendix C-1 does not purport to reflect any change with respect to statements set forth in the Independent Auditor's Report or any information set forth in the 2011 Financial Statements.

Mayer Hoffman McCann, P.C. has not been engaged to perform and has not performed, since the date of the Independent Auditor's Report and the 2011 Financial Statements included herein, any procedures on the financial statements addressed in that report. MGO is the City's current independent auditor. MGO was engaged to perform the City's audit for the Fiscal Year ended June 30, 2012. MGO completed the 2011-12 audit and issued a clean opinion on the City's financial statements for the Fiscal Year ended June 30, 2012. MGO was also engaged to perform the 2012-13 audit and the auditors indicated that the signed financial statements for the Fiscal Year ended June 30, 2013 will be issued in July 2015. The City of Compton Annual Financial Report for the Fiscal Year Ended June 30, 2012 is attached as Appendix C. The City has not requested nor has the City obtained the consent of MGO to the inclusion of its reports attached hereto at Appendix C. Neither MGO nor Mayer Hoffman McCann, P.C. has been requested to perform and neither has performed any procedures relating to this Limited Offering Memorandum.

ADDITIONAL INFORMATION

Included herein are brief summaries of certain documents and reports, which summaries do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof. This Limited Offering Memorandum is not to be construed as a contract or agreement between the City and the Purchaser of the Notes. Any statements made in this Limited Offering Memorandum involving matters of opinion, whether or not expressly so stated, are intended merely as an opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The execution and delivery of this Limited Offering Memorandum have been duly authorized and approved by the City Council of the City.

CITY OF COMPTON, CALIFORNIA

By: _____
City Manager

[Signature Page to Limited Offering Memorandum]

APPENDIX A
FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF COMPTON

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GENERAL

Overview

The City of Compton (the "City") is located in the geographical center of the County of Los Angeles (the "County") in the State of California (the "State"), between the greater Los Angeles and Long Beach metropolitan areas. The City has approximately 97,559 residents as of July 1, 2012 and encompasses an area of approximately 10.2 square miles. The City is a community consisting of commercial, residential and light industrial areas. Several freeways and highways cross through the City, making it accessible for industrial, manufacturing and commercial enterprises. In addition, the City is within a short distance of several major national and international airports.

City Government

The City is a municipal corporation and charter city organized and existing under the Constitution and laws of the State. It was founded in 1887, was incorporated on May 11, 1888 and, subsequently, adopted a City Charter (as amended, the "City Charter"). The City Charter provides for the election, organization, powers and duties of the legislative branch, known as the City Council (the "City Council"); the powers and duties of the executive and administrative branches; fiscal administration; and public utilities and franchises. The City operates with a Council-Manager form of government. The City Council appoints the City Manager (the "City Manager"), who is the chief executive officer and the head of the administrative branch of the City government, implements City Council directives and policies, and is responsible to the City Council for the proper administration of all affairs of the City (except such matters for which elective officers are made responsible by the City Charter). The City Manager manages the administrative and operational functions through the various department heads. The City Council governs the City and is composed of five members who must be registered voters of the City, four who are residents of their respective City Council districts and nominated and elected only by the residents of their respective City Council districts, and one member who is nominated and elected from the City at large to hold the office of Mayor (the "Mayor"). The City Council also appoints the City Controller, who supervises current inventories of all property and the disbursement of all monies, among other responsibilities.

The Mayor is the presiding officer of the City Council and is the official head of the City. Pursuant to the City Charter, the Mayor has a voice and a vote in all proceedings of the City Council and is the official head of the City for all ceremonial purposes. Further, the Mayor is required to perform such other duties as may be prescribed by the City Charter or as may be imposed by the City Council consistent with his office. In addition to the Mayor, the elected officers of the City are the City Clerk, the City Treasurer and the City Attorney. All City Council members and other elected officers serve for a term of four years. The terms of office of (i) the members of the City Council residing in Districts 2 and 3, the Mayor, City Clerk, City Treasurer and City Attorney and (ii) the members of the City Council residing in Districts 1 and 4, are staggered at two-year intervals.

The members of the City Council and the expirations of their respective terms are as follows:

CITY OF COMPTON
CITY COUNCIL

Name	Title	Term Expires
Aja Brown	Mayor	June 30, 2017
Janna Zurita	Councilmember	June 30, 2015
Yvonne Arceneaux	Councilmember	June 30, 2017
Isaac Galvan	Councilmember	June 30, 2017
Emma Sharif	Councilmember	June 30, 2015

The terms of Craig J. Cornwell, the current City Attorney, Alita Godwin, the current City Clerk, and Douglas Sanders, the current City Treasurer, expire in June 2017. There are no term limits for the Mayor or the other elected officials. The current Mayor of the City, Aja Brown, is serving her first term.

City Administration

The City provides a full range of services contemplated by statute or charter, including those functions delegated to cities under State law. These services include public safety (police and fire), sanitation, recreational and cultural activities, public improvements, planning, zoning and general administrative services.

Under the City manager form of government the City manager is responsible for the day to day activities of the City. The City Manager is empowered and required by the City Charter to appoint and remove, subject to the civil service provisions of the City Charter, all department heads of the City (except elective officers and those the power of appointment of whom is vested in the City Council) and pass upon and approve all proposed appointments and removals of subordinate employees by department heads. The City Manager must also prepare the City budget annually and submit it to the City Council, and is responsible for its administration after adoption. The City Charter also requires the City Manager to prepare and submit to the City Council as of the end of each fiscal year a complete report on the finances and administrative actions of the City for the preceding year, and advise the City Council of the financial condition and future needs of the City and make recommendations thereon. The City Council appointed Johnny Ford to serve as City Manager in December 2014. Mr. Ford came to the City as assistant City Manager in December 2013.

INSERT BIOS

PLEASE CONFIRM THIS INFORMATION FINANCIAL AND ECONOMIC INFORMATION

City Budget

General. The City has an annual budget cycle. The City utilizes the fund accounting method of financing reporting for its budgets. The City Charter requires that the City Council adopt a budget (the "City Budget") annually by the June 30 preceding the start of the fiscal year on July 1. Pursuant to the City Charter, the City Manager is responsible for preparing the City Budget annually and submitting it to the City Council for approval.

The City Charter specifies that at such date as the City Manager shall determine, the City Manager, or an officer designated by him, must obtain from each department head estimates of revenue and expenditure for such department, detailed in such manner as may be prescribed by the City Manager. In preparing the proposed City Budget, the City Manager must review the estimates and hold conferences thereon with the department heads, respectively, and may revise the estimates as he may deem advisable. Prior to the beginning of each fiscal year, the City Manager is required to submit to the City Council the proposed City Budget. After reviewing the proposed City Budget and making such revisions as the City Council may deem advisable, the City Council will hold a public hearing on the proposed City Budget. Upon final adoption, the City Budget will be in effect for the ensuing fiscal year. At any meeting after the adoption of the City Budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least four members of the City Council.

Revenues for the City's General Fund (the "General Fund") are derived from such sources as taxes and special assessments, licenses and permits, intergovernmental revenues, fines, forfeitures and penalties, use of money and property, charges for services, and other revenue. General Fund expenditures and

encumbrances are classified by the functions of general government, those being public safety, public works, and environmental and human services, and by debt service.

The City receives a portion of its revenues from the State. Accordingly, the City is partially dependent upon the State budget and payments made or appropriated by the State to the City for various programs. See "STATE OF CALIFORNIA BUDGET AND SUPPLEMENTAL FINANCIAL INFORMATION" herein for a description of the proposed State budget for Fiscal Year 2015-16, the May 2013 revision to the proposed State budget for Fiscal Year 2015-16 and the adopted State budget for Fiscal Year 2015-16. No assessment can be made by the City as to the significance of budgetary problems that may affect the State in Fiscal Year 2015-16, including any measures that may be taken by the State to balance its budget. There can be no assurances that future State budgets or amendments to the 2015-16 State Budget Act (defined herein) will not place additional burdens on local governments, including the City, or will not significantly reduce revenues to such local governments, and the City cannot predict the ultimate impact of future State budgets or amendments to the 2015-16 State Budget Act, if any, on the City's financial situation.

PLEASE UPDATE ***Fiscal Year 2015-16 City Budget.*** The City Council adopted the City Budget for Fiscal Year 2015-16 (the "Fiscal Year 2015-16 City Budget") on June 23, 2015. City staff created the fiscal year 2015-16 budget by performing a complete "budget scrub," which consists of allocating appropriate costs to non-general fund accounts, elimination of automatic rollover programs from one fiscal year to the next and zeroing out accounts and moving unused balances to the City's general fund balance. Staff is confident in the baseline revenue, as it was derived from nine months worth of closely watched revenues from fiscal year 2014-2015.

The City of Compton's General Fund budget is a balanced budget for the Fiscal Year ending June 30 2016, with revenue of $57.96 million and expenses of approximately $57.96 million,. The revenue estimates include baseline revenue for approximately $53.11million, garnered from traditional revenue, such as sales, use and property taxes. Staff anticipates that additional revenue will be received from implementation of the City's Cost Allocation Plan (CAP), revenue enhancements, liquidation of assets, new fees and Public Private Partnerships.

The City's fiscal year 2015-16 budget may be viewed in its entirety at the following website: http://www.comptoncity.org/depts/manager/budget.asp

Adopted General Fund Budgets. The following Table 1 sets forth the City's adopted budgets for the General Fund for Fiscal Years 2010-11 through 2015-16.

TABLE 1
CITY OF COMPTON
GENERAL FUND ANNUAL BUDGETS
Fiscal Years Ended June 30, 2010 through June 30, 2016[1]

	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
REVENUES:						
Property Taxes	$27,190,717	$3,518,036	$3,517,468	$3,064,804	$3,884,958	7,143,952
Other Taxes		20,312,036	20,602,505	22,835,907	22,658,385	22,638,260
Licenses, Permits & Franchises	3,904,859	2,732,912	2,872,221	3,134,390	4,606,615	5,547,653
Fines, Forfeitures & Penalties	2,167,143	1,656,128	1,656,165	1,412,429	1,427,806	1,263,957
Use of Money and Property	933,729	159,043	156,827	174,300	181,306	186,712
Intergovernmental Revenues	8,804,326	9,366,844	8,039,350	8,049,350	8,770,478	8,821,369
Charges for Services	10,308,582	6,821,034	5,421,920	8,784,003	8,628,921	8,635,276
Miscellaneous	4,528,700	443,943	351,781	1,249,873	2,851,272	3,721,875
TOTAL REVENUES	$57,838,056	$45,009,976[2]	$42,618.237	$48,705,056	$53,009,741	57,959,054
EXPENDITURES:						
General Government	$20,427,629	$ 6,526,581	$ 7,898,119	$ 7,551,065	$10,505,280	12,836,968
Public Protection/Safety	32,426,124	30,954,291	31,377,445	31,603,478	29,393,023	30,784,412
Public Assistance						
Public Ways and Facilities/ Public Works	927,049	1,068,734	1,045,851			
Management Services	--	6,850,755	6,751,230	6,189,450	6,623,879	7,873,531
Health and Sanitation						
Environmental and Human	5,689,142	3,842,029	4,068,768	2,175,642	3,225,409	4,133,531
Education						
Recreation						
Debt Service	487,912	482,838	490,000	490,000	2,949,944	2,330,612
TOTAL EXPENDITURES	$59,957,856	$49,725,228	$51.631,413	$48,009,635	$52,897,535	57,959,054
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	$(2,119,800)	$(4,715,228)	$(9,013,176)	$ 695,421	$112,206	-
OTHER FINANCING SOURCES (USES):						
Transfers In	$	$				
Transfers Out			(100,575)		(84,950)	
TOTAL OTHER FINANCING SOURCES (USES)	$	$	$(100,575)	$	(84,950)	
NET CHANGE IN FUND BALANCES	$ (2,119,800)	$(4,715,228)	$(9,113,751)	$695,421	$27,256	
FUND BALANCES, BEGINNING OF YEAR	$(14,607,702)	$(41,222,801)	$(45,938,053)	$(55,051,804)	$(54,356,383)	(54,329,127)
FUND BALANCES (DEFICIT), END OF YEAR	$(16,727,502)	$(45,938,053)	$(55,051,804)	$(54,356,383)	$(54,329,127)	(54,329,127)

Source: City of Compton Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2009, City of Compton Annual Financial Report for the Fiscal Year ended June 30, 2010, and City of Compton Annual Financial Report for Fiscal Year ended June 30, 2011; City Manager for Fiscal Years ended June 30, 2012 through June 30, 2016.

Reflects the original City Budget for Fiscal Years 2008-09 through 2010-11. Reflects the revised adopted City Budget for Fiscal Year 2015-16. The decline in projected revenues reflects, among other things, an assumption that the City would not receive approximately $6 million in revenues from billboard advertisements.

Financial Statements

As discussed in "CITY FISCAL CRISIS" and "FINANCIAL STATEMENTS" in the forepart of this Limited Offering Memorandum, the City's 2011 Financial Statements is attached hereto as Appendix C-1. The Independent Auditors' Report related thereto is included within the financial statement. Because Mayer Hoffman McCann, P.C. did not express an opinion on the 2011 Financial Statements, the City Council of the City of Compton resolved in May 2013 to retain unchanged the 2011 Financial Statements with the Mayer Hoffman McCann, P.C. "no-opinion" report included. It is noteworthy that the California State Controller stated in a letter dated February 12, 2013 that the City's "audit satisfies all financial and compliance audit requirements under individual federal award programs." A copy of said letter may be found on page 56 of materials found at the following website: http://www.comptoncity.org/agenda/2013/05 2013/131405/21098205092013074429372 .pdf .

The City's audited Financial Report for the Fiscal year ending June 30, 2012 is attached hereto as Appendix C-2. The City's unaudited, internally prepared, Financial Report for the Month of June 2013, which includes financial information through June 30, 2013, is attached hereto as Appendix C-3. The City's unaudited, internally prepared, Financial Report for the Month of June 2014, which includes financial information through June 30, 2014, is attached hereto as Appendix C-4. The City's unaudited, internally prepared, Financial Report for the Month of June 2015, which includes financial information through May 31, 2015, is attached hereto as Appendix C-5. The information that follows is taken, in part, from unaudited financial information prepared by City officials, and will be designated as such by footnote.

The following Table 2 sets forth the City's Statement of General Fund Revenues, Expenditures and Changes in Fund Balances for Fiscal Years 2006-07 through 2011-12. The information below for the fiscal years 2007 through 2010 and for Fiscal Year 2012 has been taken from audited financial statements. The information below for the fiscal year 2011 has been taken from unaudited financial information.

TABLE 2
CITY OF COMPTON
STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Fiscal Years Ended June 30, 2008 through 2012

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011[1]	June 30, 2012
REVENUES					
Taxes and Special Assessments	$25,582,647	$26,450,609	$24,378,801	$24,241,363	23,992,677
Licenses and Permits	3,548,748	3,817,856	3,150,629	2,744,778	2,664,625
Intergovernmental Revenues	8,395,916	8,747,907	8,657,535	8,308,736	8,113,604
Fines, Forfeitures, and Penalties	1,798,654	1,983,459	1,605,833	1,969,371	1,809,798
Use of Money and Property	1,643,975	3,991,806	4,299,824	5,732,298	663,390
Charges for Services	3,937,120	3,502,274	19,059,834	1,137,827	6,818,951
Other	25,755	--	--	57,798	1,507,922
Total Revenues	$44,932,815	$48,493,911	$61,152,456	$44,192,171	45,570,967
EXPENDITURES:					
Current					
General Government	$ 5,612,087	$ 9,394,659	$12,921,631	$27,069,866	5,531,659
Public Safety	29,954,442	17,319,774	19,120,740	34,681,857	31,357,708
Public Works	1,505,406	1,565,979	1,240,249	990,269	640,261
Management Services	8,250,246	29,249,649	30,952,977		5,422,775
Environmental And Human Services	3,542,651	4,047,431	5,491,752	6,111,857	3,590,086
Debt Service					
Principal	231,573	203,362	172,137	325,374	331,453
Interest and Fiscal Charges	139,469	86,517	103,506	2,380	182,579
Total Expenditures	$49,235.874	$61,867,371	$70,002,992	$69,181,603	47,056,521
Excess (Deficit) of Revenues Over/ (Under) Expenditures					(1,485,554)
	$(4,303,059)	$(13,373,460)	$ (8,850,536)	$(24,989,432)	
OTHER FINANCING SOURCES (USES)					
Transfers In		$ 3,114,721	$ 231,986	$ 88,909	7,559,019
Transfers Out	(6,335,485)	(4,107,813)	(3,402,642)	(1,714,576)	(1,260,057)
Total Other Financing Sources	$(6,335.485)	$(993,092)	$(3,170,656)	$(1,625,667)	6,298,962
Net Change in Fund Balances	$(10,638,544)	$(14,366,552)	$(12,021,192)	$(26,615,099)	4,813,408
Fund Balance — Beginning	$22,418,586	$11,780,042	$ (2,586,510)	$(14,607,702)	(42,724,814)
Fund Balance — Ending	$11,780,042	$(2,586,510)	$(14,607,702)	$(41,222,801)	(37,911,406)

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2008; City of Compton Annual Financial Report for Fiscal Year ended June 30, 2009; City of Compton Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2010, City of Compton Annual Financial Report for the Fiscal Year ended June 30, 2011, City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012

(1) Unaudited.

The following Table 3 sets forth certain summarized information related to the City's revenues and expenditures for Fiscal Years 2011-12, 2012-13 and 2013-14. The information below has been taken from unaudited financial reports prepared by the City, which are attached to the Limited Offering Memorandum as APPENDIX C-2 and C-3.

TABLE 3
CITY OF COMPTON
SUMMARY OF GENERAL FUND
REVENUES AND EXPENDITURES
Fiscal Years 2011-12, 2012-13 and 2013-14[1]

	June 30, 2012	June 30, 2013[(1)]	June 30, 2014[(1)]
Total Revenues	$45,570,967	$48,391,097	52,331,383
Total Expenditures	(47,056,521)	46,962,636	50,788,123
Transfers (Net)	6,298,962	(211,472)	-
Surplus (Deficit)	4,813,408	1,216,989	1,543,260
Ending Fund Balance	$(37,911,406)	$(36,694,417)	(345,151,157)

Source: City of Compton Annual Financial Report for the Fiscal Year Ended June 30, 2012; City of Compton Internal Financial Report for the Fiscal Year Ended June 30, 2013, and City of Compton Internal Financial Report for the Fiscal Year Ended June 30, 2014

(1) Unaudited.

The following Table 4 sets forth the City's General Fund Balance Sheets for Fiscal Years 2007-08 through 2011-12. The information below for the fiscal years 2008 through 2010 and 2012 was taken from audited financial statements. The information below for the fiscal year 2011 has been taken from unaudited financial information.

TABLE 4
CITY OF COMPTON
GENERAL FUND BALANCE SHEETS
Fiscal Years Ended June 30, 2008 through 2012

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011[1]	June 30, 2012
ASSETS					
Cash and Investments	$ 3,132,781	$ 405,576	$ --		$ 7,994,100
Property Taxes Receivable:	1,214,279	2,111,512	2,245,747	660,152	-
Accounts Receivable	3,592,767	460,744	2,922,056	2,303,188	2,504,705
Due from Other Funds		25,722,431	--		8,862,722
Due from Fiduciary Funds					3,401,809
Prepaid Expenses	31,080	58,934	--	40,969	26,818
Inventories	3	244	244	244	244
Interest Receivable	--	--	--	5	-
Advances to Other Funds	6,414,036				
Land Held for Resale					50,000
Total Assets	$14.384.946	$28,759.441	$ 5.168.047	$ 3.004.558	$ 22,840,398
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 96,148	$ 112,352	$ 11,600,351	$ 12,560,317	3,580,974
Accrued Liabilities	2,457,182	4,401,471	4,982,759	3,282,798	3,252,513
Due to Other Funds		26,777,522	3,107,517	28,253,324	5,638,782
Due to Fiduciary Funds					6,303,824
Due to Other Governmental Agencies	--		5,126		
Deposits	51,574	54,606	51,574	103,036	73,954
Advances from Other Funds					41,901,757
Other	--	--	28,422	27,884	
Total Liabilities	$ 2,604,904	$ 31,345,951	$ 19,755,749	$ 44,227,359	60,751,804
Fund Balances:					
Nonspendable:					
Inventories and Prepaid Items	$ 31,083	$ 59,178	$ 244	$ 41,213	27,062
Land Held for Resale					50,000
Reserved					
Regional Park	2,500,000	2,500,000	2,500,000		
Encumbrances	3,070,277	6,049,399	706,535		
Unreserved					
Nonspendable					
Restricted					
Committed					
Assigned					
Unassigned				(41,264,014)	(37,988,468)
Unreserved: undesignated, reported in General Fund	6,178,682	(11,195,087)	(17,814,481)		
Total Fund Balances	$ 11,780,042	$ (2,586,510)	$ (14,607,702)	$ (41,222,801)	(37,911,406)
Total Liabilities and Fund Balances	$ 14,384,946	$ 28,759,441	$ 5.168.047	$ 3,004,558	22.840.398

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2008; City of Compton Annual Financial Report for Fiscal Year ended June 30, 2009; City of Compton Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2010, City of Compton Annual Financial Report for Fiscal Year ended June 30, 2011 (Unaudited), City of Compton Annual Financial Report for the Fiscal Year ended June 30, 2012

(1) Unaudited.

UPDATE The City's fund balances for the Fiscal Year ended June 30, 2011 follows Governmental Accounting Standards Board Statement No. 54 - "Fund Balance Reporting and Governmental Fund Type Definitions" ("GASB 54"), which was developed in order for governments to classify amounts consistently regardless of the fund type or column in which they are presented. Pursuant to GASB 54, the fund balances will be designated as one of the following five categories: (i) nonspendable fund balance which includes amounts that are not in a spendable form or are required to be maintained intact, (ii) restricted fund balance which includes amounts constrained to specific purposes by their providers, through constitutional provisions, or by enabling legislation; (iii) committed fund balance which includes amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint; (iv) assigned fund balance which includes amounts a government intends to use for a specific purpose whereby the intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority; and (v) unassigned fund balance which includes amounts that are available for any purpose; these amounts are reported only in the general fund.

Major Revenues

The City derives its revenues from a variety of sources, including *ad valorem* property taxes, sales and use taxes, licenses, permits and franchises issued by the City, use of City property and money, aid from other governmental agencies, charges for services provided by the City and other miscellaneous sources. The following Table 5 sets forth the revenue sources for the City's General Fund for the Fiscal Year ended June 30, 2014.

TABLE 5
CITY OF COMPTON
ALLOCATION OF COUNTY GENERAL FUND REVENUES
Fiscal Year Ended June 30, 2014

Taxes and Special Assessments	52.12%
Licenses and Permits	10.00
Intergovernmental Revenues	15.82
Fines, Forfeitures and Penalties	2.93
Use of Money and Property	0.40
Charges for Services	14.19
Other	4.54
Total[(I)]	100.00%

Source: City of Compton Internal Financial Report for Fiscal Year ended June 30, 2014 (Unaudited).
(1) Unaudited.
Total may not equal sum of component parts due to rounding.

UPDATE Expenditures

The City's major General Fund expenditures during the Fiscal Year ended June 30, 2011 were public safety and general government. In Fiscal Years 2011-12, 2012-13 and 2013-14 the City's major General Fund Expenditures were public safety and general government. "See "APPENDIX C-1: CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011," "APPENDIX C-2: CITY OF COMPTON AUDITED FINANCIALS FOR THE FISCAL YEAR ENDING JUNE 2012," and "APPENDIX C-3: CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013 AND C-4 CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF MAY 2014" attached hereto for more information related to the City's expenditures for the fiscal year ended June 30, 2011, fiscal year ended June 30, 2012, for the fiscal year ended June 30, 2013, for the fiscal year ended June 2014, and for the month of May 31, 2015.

***Ad Valorem* Property Taxes**

CONFIRMED ***General.*** The County levies *ad valorem* property taxes on behalf of taxing agencies in the County (including the City) for each fiscal year on taxable real and personal property located in the County (including taxable real and personal property located in the City) as of the preceding January 1st. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation (known as a "floating lien date"). For assessment and collection purposes, property is classified either as "secured" or "unsecured", and is listed accordingly on separate parts of the assessment roll. The "secured roll " is that part of the assessment roll containing State assessed property and property secured by a lien on real property which is sufficient, in the opinion of the Assessor-Recorder of the County of Los Angeles (the "County Assessor"), to secure payment of the taxes. Other property is assessed on the "unsecured roll."

The taxes collected are allocated on the basis of a formula established by State law. Under this formula, the City and all other taxing entities receive a base year allocation plus an allocation on the basis of "situs" growth in assessed value (new construction, change of ownership, and inflation) prorated among the jurisdictions which serve the tax areas where the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special districts.

The County is responsible for assessing, collecting, and distributing property taxes to the City and other taxing entities within the County. The *ad valorem* property tax rate is 1% of the full cash value of the taxable property. The assessor must reassess property upon a change in ownership or new construction. The assessor may increase the full cash value by no more than 2% each year to reflect inflation. The assessor may decrease the full cash value (a) to reflect reductions in the consumer price index or comparable local data for the area under taxing jurisdiction, (b) to reflect substantial damage, destruction or (c) other factors causing a decline in value. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS — Article XIII D" in the forepart of this Limited Offering Memorandum. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979.

Property taxes on the secured roll are due in two installments, on November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, with a ten percent penalty assessed to any delinquent payments. In addition, any property on the secured roll with delinquent taxes as of July 1 is declared tax-defaulted. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and a redemption penalty of one and one-half percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the Treasurer and Tax Collector of the County (the "County Treasurer").

Property taxes on the unsecured roll are due as of the January 1st lien date and become delinquent, if unpaid, by August 31st. A ten percent penalty attaches to delinquent property taxes on the unsecured roll, and an additional penalty of one and one-half percent per month begins to accrue on November 1st. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency in the County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the taxpayer.

Proposition 8, which was passed in November 1978, amended Proposition 13 to allow assessed values to reflect declines in value. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS" in the forepart of this Limited Offering Memorandum. As a result, the County Assessor is required to enroll a property's fair market value, as of January 1, if that value is less than the base year value plus inflationary adjustment. The County Assessor may initiate the Proposition 8 reduction process without a request from a property owner. Property owners are notified at the beginning of the tax year and may file an assessment appeal to challenge the determined value. Although the values of

many properties may suffer a significant decline during a recession, not all may qualify for a reduction under Proposition 8. The current fair market value of such property must fall below the base year value plus inflationary adjustment before it will affect the assessed value. If the fair market value of the property increases above its base year value plus inflationary adjustment, the County Assessor will re-enroll the property at the value of its base year value plus inflationary adjustment. The County Assessor did not enroll any taxable properties within the City at a reduced fair market value for Fiscal Year 2013-14.

Supplemental property taxes are assessed when there is an increase in the assessed valuation of property after the property tax bill for that year has been issued. As a result, when property values are increasing and sales activity is high, there will be an increase in supplemental property tax revenues. The City did not receive supplemental property tax revenues in Fiscal Year 2014-15 and has not budgeted any supplemental property tax revenues for Fiscal Year 2015-16. The City considers property taxes as available and records revenues if they are collected within 60 days after year end. Property tax receivables are adjusted to their net realizable values by deducting any estimated uncollectible amounts reported to the City.

The following Table 6 sets forth certain information regarding property tax levies and collections by the County on behalf of the City from Fiscal Years 2007-08 through 2011-12.

TABLE 6
CITY OF COMPTON
SUMMARY OF TAX LEVIES AND COLLECTIONS
Fiscal Years 2007-08 through 2011-12[(1)]

Fiscal Year ended June 30	Secured Tax Charge	Total Tax Collection through June 30	Outstanding Delinquent Taxes	Percentage of Delinquency to Secured Tax Charge
2008	$5,326,865	$5,065,430	$261,435	4.91%
2009	5,659,489	5,398,689	260,800	4.61
2010	5,562,561	5,374,786	187,775	3.38
2011	5,193,671	5,071,228	122,443	2.36
2012	5,288,425	5,180,223	108,202	2.05

Source: California Municipal Statistics.
(1) Unaudited.
(2) 1% General Fund apportionment. Excludes redevelopment agency impounds.

The following Table 7 sets forth the assessed valuation of property located in the City for Fiscal Years 2002-03 through 2012-15.

TABLE 7
CITY OF COMPTON
ASSESSED VALUATION
Fiscal Years 2002-03 through 2014-15

Fiscal Year	Secured	Unsecured	Exemptions	Total Assessed Value
2002-03	**$2,695,106,642**	**$313,820,622**	**$**	**$3,008,927,264**
2003-04	2,857,979,299	307,260,095		3,165,239,394
2004-05	3,049,256,454	254,519,644		3,303,776,098
2005-06	3,409,869,939	245,928,980		3,655,798,919
2006-07	3,854,888,757	297,439,805		4,152,328,562
2007-08	4,463,417,598	261,228,601		4,724,646,199
2008-09	4,741,427,602	288,919,993		5,030,347,595
2009-10	4,592,547,319	308,173,021		4,900,720,340
2010-11	4,426,612,807	236,554,591	(130,524,640)	4,532,642,758
2011-12	4,486,686,545	228,026,510	(128,943,128)	4,585,769,927
2012-13	4,566,620,287	298,382,882	(61,179,919)	4,804,119,904
2013-14	4,678,657,505	302,810,024	(60,554,722)	4,920,912,807
2014-15	4,951,843,927	300,693,405	(60,113,248)	5,192,424,084

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2011 (Unaudited) for Fiscal Years 2002-03 through 2010-11; Los Angeles County Assessor for Fiscal Years 2011-12, 2013-14 and 2014-15.

Largest Taxpayers.

The following Table 8 is a list of the twenty-five largest property taxpayers in the City by percentage of total city taxable value for Fiscal Year 2012-13.

TABLE 8
CITY OF COMPTON
LARGEST PROPERTY TAXPAYERS
Fiscal Year 2012-13

Taxpayer	Taxable Value	Type of Business	% of Total City Taxable Value[1]
Ralphs Grocery Co	$ 152,780,913	Food Services	3.10%
Amb Property L P	144,598,066	Real Estate	2.94%
Pr I Dominguez Hills Industrial	123,413,403	Real Estate	2.51%
South Bay Industrials Co LLC	78,969,384	Control Systems,	1.60%
KTR South Bay I LLC	75,486,120	Commercial Real Estate	1.53%
Comref So Ca Industrial Sub A	61,316,280	Manufacturing	1.25%
Prologis LP	57,142,469	Real Estate - Warehouses	1.16%
Los Angeles Industrial Park LLC	34,238,137	Real Estate	0.70%
Central Ave Industrial Park LLC	28,864,803	Real Estate	0.59%
Gateway Opportunity Fund LLC	26,964,996	Real Estate Investment & Development	0.55%
Ub Ii Santa Fe LLC Lessor	26,180,310	Real Estate	0.53%
Inland Empire Realty Holding C	25,604,561	Real Estate	0.52%
Compton Commercial Renaissance	23,455,585	Real Estate	0.48%
Owens Corning Roofing Asphalt	20,755,047	Manufacturing	0.42%
Prism LP Partners LLC	20,254,473	Retail Gifts/Novelties	0.41%
Target Corp	19,536,567	Retail / Merchandise	0.40%
Walnut Industrial Park LLC	19,000,000	Investment and Realty	0.39%
Apg Victoria LLC	17,057,000	Investment and Realty	0.35%
Compton Commercial Dev Co	15,888,216	Real Estate	0.32%
American Curvet Investment LLC	15,750,000	Real Estate Investments	0.32%
Pacab LLC	14,357,520	Real Estate Investments	0.29%
Demenno Kerdoon	13,758,458	Oil and Gas Exploration Services	0.28%
Lake Plaza LLC	13,472,270	Real Estate Ownership and Development	0.27%
Time Warner Cable	12,198,309	Telecom	0.25%
Rancho Way Properties LLC	11,641,577	Real Estate	0.24%
	$ 1,052,684,464		**21.39%**

Source: City of Compton.
(1) Percentage based on a total taxable value of $4,585,769,927 for Fiscal Year 2012-13.

UPDATED ***Dissolution of Redevelopment Agencies.*** In connection with Assembly Bill 26 of the 2010-11 First Extraordinary Session ("ABx1 26"), the State required redevelopment agencies to cease operations. Upon the dissolution of such redevelopment agencies, the State required any property taxes that would have been allocated to redevelopment agencies to be allocated to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agencies, with remaining balances to be allocated in accordance with applicable constitutional and statutory provisions. On December 29, 2011, the Supreme Court of the State, in a case entitled *California Redevelopment Association v. Matosantos,* held that the dissolution provisions set forth in ABx1 26 were constitutional. See "STATE OF CALIFORNIA BUDGET AND SUPPLEMENTAL FINANCIAL INFORMATION - State Budget for Fiscal Year 2015-16" herein. Accordingly redevelopment agencies were required to cease operations as of February 1, 2012. The

City elected to serve as the successor agency to its dissolving redevelopment agency, the Community Redevelopment Agency of the City of Compton, and to retain the assets, obligations and functions previously performed by the Community Redevelopment Agency of the City of Compton and wind down its affairs.

Utility Users Tax

UPDATED The City collects a tax (the "Utility Users Tax") from utility users within the City's boundaries. Such users are charged at the following rates based on usage of utility services, including electricity (10%), telecommunications (8.5%), gas (10%), and water services (10%). The tax is not applicable to State, County, or City agencies, insurance companies or banks. In Fiscal Year 2014-15, Utility Users Taxes were collected by the City in the amount of approximately $13 million, and accounted for approximately 22.5% of total General Fund revenues for the City. Table 9 below sets forth Utility Users Tax receipts and their respective percentage of General Fund revenues from Fiscal Year 2008-09 through Fiscal Year 2014-15.

TABLE 9
CITY OF COMPTON
UTILITY USERS TAX RECEIPTS
Fiscal Years 2008-09 through 2014-15

Fiscal Year	Amount	Percentage of General Fund Revenues
2008-09	$14,934,144	30.8%
2009-10	14,934,144	24.4
2010-11	12,522,154	28.3
2011-12	13,010,117	28.6
2012-13	13,201,608	28.3
2013-14	12,775,982	24.5
2014-15	12,867,418	22.5*

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2011 (Unaudited).City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012, City of Compton Internal Financial Report for Fiscal Year ended June 30, 2013 (Unaudited) and City of Compton Internal Financial Report for Fiscal Year ended June 30, 2014 (Unaudited) and City of Compton Internal Financial Report for Fiscal Year ended June 30, 2015 (Unaudited).

(11) The City attributes the decline in utility users tax receipts between Fiscal Year 2009-10 to 2010-11 to, among other things, the effects of the downturn in the economy.

- June 2015 is an estimated amount.

Sales and Use Taxes

The sales tax is an excise tax imposed on retailers for the privilege of selling tangible personal property. The use tax is an excise tax imposed on a person for the storage, use or other consumption of tangible personal property purchased from any retailer. The proceeds of sales and use taxes (collectively, "Sales Tax") imposed within the boundaries of the City are distributed by the State to various agencies as shown below in Table 10. The total Sales Tax rate for the 2013-14 fiscal year for the City was 9%. The following Table 10 sets forth Sales Tax revenues for the City for Fiscal Years 2008-09 through 2012-13.

TABLE 10
CITY OF COMPTON
SALES TAX RECEIPTS
Fiscal Years 2008-09 through 2012-13

Fiscal Year	Amount	Percentage of General Fund Revenues
2008-09	$6,727,145	13.9%
2009-10	6,094,694	11.0
2010-11	6,909,981	15.6
2011-12	6,577,690	14.4
2012-13	7,245,927	15.5
2013-14	7,741,982	14.8*
2014-15	7,795,694	13.4*

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2008, City of Compton Annual Financial Report for Fiscal Year ended June 30, 2009, City of Compton Annual Financial Report for Fiscal Year ended June 30, 2010, City of Compton Annual Financial Report for Fiscal Year ended June 30, 2011 (unaudited), City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012, City of Compton Internal Financial Report for the Month of June 30, 2013, City of Compton Internal Financial Report for the Month of June 30, 2014, City of Compton Internal Financial Report for the Month of June 30, 2015.

- June 2015 is an estimated amount.

Employees and Labor Relations

The following Table 11 sets forth a summary of City employment for Fiscal Years 2008-09 through 2014-15.

TABLE 11
CITY OF COMPTON
EMPLOYMENT LEVELS
Fiscal Years 2008-09 through 2014-15

Fiscal Year	Full-Time Equivalent[1]
2008-09	555.5
2009-10	556.0
2010-11	575.0
2011-12	393.5
2012-13	393.5
2013-14	354.0
2014-15	381.0

Source: City of Compton.
(1) Figures represent number of authorized full time equivalent positions as of the adoption of the City Budget for each fiscal year.

UPDATED For the 2012-13 fiscal year, five bargaining units had contracts with the City that had expired. The bargaining units are with the Service Employees' International Union, Local 347 - Public Safety Auxiliary ("SEIU — Public Safety Auxiliary"), Service Employees' International Union, Local 347 - Maintenance and Trades Unit ("SEIU — Maintenance and Trades" and, together with SEIU — Public Safety Auxiliary, "SEIU"), Local Union of Municipal Non-Supervisory Employees, Compton Management Employees Association, Local 2325, Compton Fire Fighters, Local 2216 (collectively, the "Coalition of Compton Unions"). The City has historically enjoyed positive relations with its bargaining units. The City and the Coalition of Compton Unions entered into a Side Letter Agreement pursuant to which certain modifications were made to each of the respective MOUs for a limited negotiation period. During the term of the Side Letter Agreement, all terms, conditions, provisions and conditions of existing MOUs for each member of the Coalition of Compton Unions were to continue except as modified in the Side Letter Agreement. Pursuant to the Side Letter Agreement, the City agreed that it did not intend to lay-off or

furloughs current employees in positions represented by the City's employee bargaining unions AFSCME, SEIU and IAFF except as set forth in the Side Letter Agreement. The Side Letter Agreement expired June 30, 2014. During the Fiscal Year 2014-15, the City negotiated new contracts with the SEIU – Public Safety Auxiliary, SEIU – Maintenance and Trades, Local Union of Municipal Non-Supervisory Employees, and the Compton Fire Fighters, Local 2216. The City and the Compton Management Employees Association, Local 2325 are currently engaged in negotiations regarding a new contract for the Compton management employees.

The following Table 12 sets forth the expiration dates for the respective memorandum of understanding ("MOU") with each of the City's certified employee organizations with the City.

TABLE 12
CITY OF COMPTON
BARGAINING UNITS

Bargaining Unit	MOU Expiration Date
Service Employees' International Union, Local 347 - Public Safety Auxiliary	June 30, 2016
Service Employees' International Union, Local 347 - Maintenance and Trades	June 30, 2016
Unit Local Union of Municipal Non-Supervisory Employees	June 30, 2016
Compton Management Employees Association, Local 2325	June 30, 2009
Compton Fire Fighters, Local 2216	June 30, 2016

Source: City of Compton.

Retirement Benefit Tax Override

In 1947, the voters of the City passed a ballot initiative authorizing the City to levy an *ad valorem* property tax for purposes of funding a pension program for certain City employees (the "Charter-Authorized Levy"). At the time such ballot initiative was passed, the maximum override tax rate that could be levied in any fiscal year was established as $1.00 per $100 of assessed value. On an annual basis, by resolution of the City Council, the City sets the override tax rate for the coming fiscal year based on the estimated dollar amount necessary to fund the then-current fiscal year's pension and other benefits costs (taking into account that portion of the levy allocated to redevelopment purposes under Article XVI, Section 16 of the Constitution of the State and applicable law). Historically, the override tax rate has varied based on the requirements of the City's pension fund system.

UPDATED Pursuant to State law regarding the levy of tax rates for pension purposes, the City may not implement a levy equal to or greater than $0.501632 per $100 of assessed value. The City has implemented a Charter-Authorized Levy of $0.451632 per $100 of assessed value since 1992-93. The City does not presently expect to change the current Charter-Authorized Levy. In Fiscal Years 2012-13 and 2013-14, the City collected approximately $20.94 million and $14.48 million, respectively, from the Charter Authorized Levy.

Defined Benefit Pension Plan

CONFIRM AND UPDATED ***General.*** The City's defined benefit pension plan (the "City Employees Retirement Plan") provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The City Employees Retirement Plan is part of the public agency portion of the California Public Employees' Retirement System ("CALPERS "). CALPERS is administered by a 13-member Board of Administration (the " CALPERS Board"), which consists of two members elected by and from all CALPERS members, one member elected by and from all active State members, one member elected by and from all active CALPERS school members, one member elected by and from all active CALPERS public agency members, one member elected by and from the retired members of CALPERS, two members appointed by the Governor (one being an elected official of a local government and the other an official of a life insurer), one public representative appointed jointly by the Speaker of the Assembly and the

Senate Rules Committee, and four State officials, the State Controller, the State Treasurer, the Director of the California Department of Human Resources, and a designee of the State Personnel Board, each acting in an *ex officio* capacity. For additional information regarding the City's pension and retiree health care programs and costs, see the City's financial statements attached in Appendix C hereto. As used in this section, " - Defined Benefit Pension Plan", the term "employees" refers to the portion of employees of the City whose benefits are granted through CALPERS.

The following information concerning CALPERS has been excerpted from publicly available sources, which the City believes to be accurate, or otherwise obtained from the CALPERS and has not been independently verified by the City, the Underwriter or the Financial Advisor, and is not guaranteed as to the accuracy or completeness of the information and is not to be construed as a representation by the City, the Underwriter or the Financial Advisor. Furthermore, the summary data below should not be read as current or definitive, as recent gains or losses on investments made by the retirement systems generally may have changed the unfunded actuarial accrued liabilities stated below. CALPERS' assets will not secure or be available to pay principal of or interest on the Notes or on any obligations of the City or any other member agency. Further, the assets of the City's pension plan are not available for such payments. CALPERS issues publicly available reports, including its financial statements, required supplementary information and actuarial valuations for the herein described defined benefit retirement program and the City Employees Retirement Plan. The reports are available on CALPERS website: http://www.calpers.ca.gov/. Information on such site is not incorporated herein by reference.

Information regarding the pension plans for police personnel (the "Safety Plan-Police"), fire department personnel (the "Safety Plan-Fire") and other City personnel (the "Miscellaneous Plan") was obtained from the CALPERS report entitled "Safety Police Plan of the City of Compton (CalPERS ID: 1001685032) Annual Valuation Report as of June 30, 2013" dated October 2014 (the "2013 CALPERS Safety Police Valuation"), "Safety Fire Plan of the City of Compton (CalPERS ID: 1001685032) Annual Valuation Report as of June 30, 2013)" dated October 2014 (the "2013 CALPERS Safety Fire Valuation") and "Miscellaneous Plan of the City of Compton (CalPERS ID: 1001685032) Annual Valuation Report as of June 30, 2013)" dated October 2014 (the "2013 CALPERS Miscellaneous Valuation") and the City's financial statements for Fiscal Years ended June 30, 2008 through June 30, 2012, including the City's Audited Annual Financial Report for Fiscal Year ended June 30, 2012, which reports are the most recent actuarial valuations and financial statements available to the City as of the date of this Limited Offering Memorandum. Such reports have not been updated since their respective dates.

The information contained in this section " - Defined Benefit Pension Plan" relies on information produced by the pension plans described herein, independent accountants, and CALPERS' chief actuary and plan actuaries (collectively, the "CALPERS Actuary"). The actuarial assessments contain "forward looking" information that reflects the judgment of CALPERS and the pension plans and their independent accountants and actuaries. The actuarial assessments are based upon a variety of assumptions, one or more of which may prove to be inaccurate or be changed in the future, and will change with the future experience of the pension plans.

Membership. The following Table 13 sets forth the membership of the City Employees Retirement Plan as of June 30, 2013.

TABLE 13
CITY EMPLOYEES RETIREMENT PLAN
Membership as of June 30, 2013

	Miscellaneous	Safety Police	Safety Fire	Total
Active Members	237	--	64	301
Transferred Members	157	24	18	199
Terminated Members	154	--	--	154
Separated Members	--	1	13	14
Retired Members	456[(1)]	264	140	860
Total Membership	1004	289	235	1,528

Sources: 2013 CALPERS Miscellaneous Valuation, 2013 CALPERS Safety Police Valuation and 2013 CALPERS Safety Fire Valuation.
(1) Includes Beneficiaries.

UPDATED The Safety Plan-Fire has fewer than 100 active members and, pursuant to CALPERS; policy, is required to participate in a risk pool. At the time the Safety Plan-Fire joined the risk pool, a side fund was created to account for the difference between the funded status of the risk pool and the funded status of the City's Safety Plan-Fire. The side fund valuation as of June 30, 2013 was $(6,744,213) and the adjusted employer payment for the side fund was $1,975,198 (for 2015/16 fiscal year). The City's contribution rate to the side fund is determined upon whether or not the side fund has a positive negative valuation. The side fund is credited, on an annual basis, with the actuarial investment return assumption, which is presently 7.5%. Benefits for the Safety Plan-Fire are funded from the assets of the risk pool and from related investment earnings. The City Charter requires the City to contribute the amounts necessary to fund the side fund of the Safety Plan-Fire from the proceeds of the Charter-Authorized Levy.

The Safety Plan-Police has fewer than 100 active members and, pursuant to CALPERS; policy, is required to participate in a risk pool. At the time the Safety Plan-Police joined the risk pool, a side fund was created to account for the difference between the funded status of the risk pool and the funded status of the City's Safety Plan-Police. The side fund valuation as of June 30, 2013 was negative $2,371,908 and the adjusted employer payment for fiscal year 2015/2016 is $0. The City's contribution rate to the side fund is determined upon whether or not the side fund has a positive negative valuation. The side fund is credited, on an annual basis, with the actuarial investment return assumption, which is presently 7.5%. Benefits for the Safety Plan-Police are funded from the assets of the risk pool and from related investment earnings. The City Charter requires the City to contribute the amounts necessary to fund the side fund of the Safety Plan-Police from the proceeds of the Charter-Authorized Levy.

UPDATED ***Retirement Contributions.*** The City's contributions to the CALPERS plan include the employer-paid member contribution described above and the actuarially determined annual required contribution ("ARC"), which varies each year based on an annual actuarial plan valuation. The ARC is calculated using the entry age actuarial cost method and consists of two components: the "normal cost", which represents the portion of the actuarial present value of the benefits that the City and its employees will be expected to fund that are attributable to a current year's employment, and the amortized amount of the unfunded actuarial accrued liability ("UAAL"). The amortization of the UAAL represents the current year's portion of the unfunded accrued costs *(i.e.,* the UAAL) attributable to past years' employment. The UAAL is an estimate based on a series of assumptions that operate on economic and demographic data of the CALPERS plan membership and may increase or decrease as result of changes in actuarial assumptions (such as the assumed investment rate of return of 7.50%, net of administrative expenses), benefit improvements and other experience that differ from that anticipated by the actuarial assumptions. This process is used to determine, as of the date of the calculation, how sufficient the assets in the CALPERS plan are to fund, as of the date of calculation, the accrued costs attributable to CALPERS plan participants. The funding sufficiency is typically expressed as the ratio of the valuation assets to the actuarial accrued liabilities. If the actuarially calculated funding level of a plan is less than 100%, the plan has a UAAL. For a summary of principal assumptions and methods used to determine the ARC for the City's CALPERS plan for police safety

employees (the "Safety Police Plan"), fire safety employees (the "Safety Fire Plan") and non-safety employees (the "Miscellaneous Plan"), see Note 10 to the financial statements attached to this Limited Offering Memorandum as "APPENDIX C-1: CITY OF COMPTON ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012."

The City Charter requires that the City levy a tax sufficient to meet all obligations of the City to CALPERS for the retirement of City employees, due and unpaid or to become due during the ensuing fiscal year. See "RETIREMENT BENEFIT TAX OVERRIDE" herein.

Members of the City's Miscellaneous Plan, Safety Plan-Fire, and Safety Plan-Police are required to contribute 8%, 9%, and 9% respectively, of their monthly salary, and the City is required to contribute based on an actuarially determined rate. The actuarial methods and assumptions used for determining the rates are based on those adopted by Board of Administration of CALPERS. The required employer contribution rates for Fiscal Year 2015-16 are 33.192% for Miscellaneous Plan members and 20.230% plus $2,925,138 (representing employer payment of unfunded liability) for Safety Plan-Fire members. The City is required to contribute $994,187 representing employer payment of unfunded liability for Safety Plan-Police members for Fiscal Year 2015-16. The projected required employer contribution rates for Fiscal Year 2013-14 were 25.0% for Miscellaneous Plan members and 52.2% for Safety Plan-Fire members. The City is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the City may be required to make to CALPERS. Accordingly, there can be no assurances that the City's required contributions to CALPERS will not significantly increase in the future above current levels.

Annual Pension Cost of the City. Statement No. 27 of the Governmental Standards Accounting Board ("GASB 27") establishes standards for the measurement, recognition, and display of pension expenditures and expenses and related liabilities, assets, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. CALPERS is a defined benefit and cost-sharing, multiple employer plan. Pursuant to GASB 27, employers that participate in cost-sharing multiple employer defined benefit pension plans are required to recognize pension expenditures and expenses equal to the employer's contractually required contributions and a liability for unpaid contributions. GASB 27 recommends that recognition be on the modified accrual or accrual basis depending on the fund type or type entity.

The following Table 14 sets forth the City's annual pension cost and the percentage contributed for Fiscal Years 2006-07 through 2013-14.

TABLE 14
CITY OF COMPTON
ANNUAL PENSION COST AND PERCENTAGE CONTRIBUTED"[)]
Fiscal Years 2006-07 through 2013-14

	Annual Pension Cost				
Fiscal Year	Miscellaneous	Safety	Total	Percentage of Pension Cost Contributed	Annual Net Pension Obligation
2006-07	$3,370,048	$5,364,951	$8,734,999	100%	$
2007-08	2,895,656	5,788,886	8,684,542	100	
2008-09	3,370,048	5,364,951	8,734,999	100	
2009-10	3,311,771	5,788,886	9,100,657	100	
2010-11	3,185,379	5,490,360	8,675,739	100	
2011-12	4,023,749	6,659,721	10,683,470	100	
2012-13	3,409,878	6,487,629	9,897,499	100	
2013-14	3,799,141	6,659,889	10,459,030	100	

(I) The City has made its annual required contribution for each of the past three years. The difference between the ARC and the Annual Pension Cost is due to the amortization of the net pension asset.

Source: City of Compton — Comprehensive Annual Financial Reports for the Fiscal Years ended June 30, 2006 through June 30, 2012, 2013 CALPERS Miscellaneous Valuation, 2013 CALPERS Safety Fire Valuation, 2012 CALPERS Miscellaneous Valuation, and 2012 CALPERS Safety Fire Valuation.

UPDATED ***Unfunded Actuarial Accrued Liability and Unrecognized Gains/Losses as of June 30, 2010.*** In its 2012 CALPERS Miscellaneous Valuation, the Miscellaneous Plan funded ratio (i.e., the ratio of valuation value of assets of CALPERS over the actuarial accrued liability was 77.4% as of June 30, 2012. The UAAL of the Miscellaneous Plan increased to $38,481,693 as of June 30, 2012 from $37,063,760 as of June 30, 2011. In its 2012 CALPERS Safety Plan-Fire Valuation, the funded ratio of the Risk Pool in which the Safety Plan-Fire and Safety Plan-Police are included (i.e., the ratio of valuation value of assets of CALPERS over the actuarial accrued liability) increased to84.3% as of June 30, 2012 from 84.2% as of June 30, 2011. The UAAL of the Risk Pool in which the Safety Plan-Fire and Safety Plan — Police are included increased to $1.70 billion as of June 30, 2010 from $1.69 billion as of June 30, 2009.

The CALPERS Actuary estimated that the amount of unrecognized gain applicable to the Miscellaneous Plan from investments in the investment portfolio as of June 30, 2010 totaled approximately $1,913,393. The CALPERS Actuary estimated that the amount of unrecognized loss applicable to the Risk Pool in which the Safety Plan-Fire and Safety Plan-Police are included from investments in the investment portfolio as of June 30, 2010 totaled approximately $18.3 million. The unrecognized gains and losses and the Miscellaneous Plan and the Risk Pool in which the Safety Plan-Fire and Safety Plan-Police are included are being amortized over a fixed and declining 30-year period and will be recognized by CALPERS in accordance with its smoothing methodology. See " — Smoothing Methodology and Valuation Corridor" herein.

Historically, the City funded, at a minimum, the pay-as-you-go amount recommended by the CALPERS Actuary of CALPERS. However, the City currently has an outstanding payment to CALPERS relating to retirement benefits due, in part, to the temporary transfer of funds from the City's Retirement Fund to the General Fund to satisfy payments of other obligations. See "CITY FISCAL CRISIS" in the forepart of this Limited Offering Memorandum and "- Litigation Regarding Retirement Benefits" herein. The ARC for the Miscellaneous Plan for Fiscal Years 2010-11 and 2011-12 were approximately $3.06 million and $4.18million, respectively. If the City elects the annual lump sum prepayment option, the ARC for the

Miscellaneous Plan for the period July 1, 2012 through June 30, 2013 would be $4,085,104. There is a lag between the point in time at which the actuary completes the actuarial valuation and the date that the contribution rates calculated in the valuation go into effect. The ARC for the period July 1, 2012 to June 30, 2013 has been determined by an actuarial valuation of the plan as of June 30, 2010.

UPDATE – NO CHANGE ***Smoothing Methodology and Valuation Corridor.*** In April 2005, the PERS Board of Administration adopted its Employer Rate Stability Policy (the "Employer Rate Stability Policy"), which provided for, among other things, calculating the annual contribution amount with regard to gains and losses as a rolling 30-year amortization of all remaining unamortized gains and losses (as opposed to recognizing 10% of annual gains and losses pursuant to prior policy) beginning with the actuarial valuation as of June 30, 2004. Pursuant to such policy change, multiple amortization bases (including those for benefit improvement or changes in actuarial methods or assumptions, which are typically less than 30 years) were combined into a single base (the gain and loss bases) and amortized over a rolling 30-year period to effect a "fresh start" as of June 30, 2004. The Employer Rate Stability Policy did not affect other existing amortization bases for benefit improvements, assumptions changes and method changes. Accordingly, all gains or losses to CALPERS are tracked and amortized over a rolling 30-year period with the exception of special gains and losses in Fiscal Years 2008-09, 2009-10 and 2010-11 as described below. The gains or losses during each of these fiscal years is isolated and amortized over fixed and declining 30-year periods instead of the current, rolling 30-year amortization applied to other fiscal years. If a plan's accrued liability exceeds the actuarial value of assets, the annual contribution with respect to the total unfunded liability may not be less than the amount produced by a 30-year amortization of the unfunded liability.

In order to moderate the effect of short term market value fluctuations on employer contribution rates, the following asset smoothing technique is used. First an Expected Value of Assets is computed by bringing forward the prior year's Actuarial Value of Assets and the contributions received and benefits paid during the year at the assumed actuarial rate of return. The Actuarial Value of Assets is then computed as the Expected Value of Assets plus one-fifteenth of the difference between the actual Market Value of Assets and the Expected Value of Assets as of the valuation date.

In December 2009, the CALPERS Board of Administration adopted changes to the asset smoothing method in order to phase in over a three year period the impact of the negative 24% investment loss experienced by CALPERS in Fiscal Year 2008-09. Under the new methodology, which is not mandatory for employers, investment gains and losses will be tracked and the net unamortized gain or loss will be amortized and paid off over a fixed and declining 30-year period instead of the current, rolling 30-year amortization period, with the exception of gains and losses in Fiscal Years 2008-09, 2009-10, and 2010-11. For Fiscal Years 2008-09, 2009-10, and 2010-11, such fiscal year's gains or losses are isolated and amortized over fixed and declining 30-year periods. In addition, CALPERS has adopted a policy such that if a plan's accrued liability exceeds the actuarial value of assets, the annual contribution with respect to the total unfunded liability of such plan may not be less than the amount produced by a 30-year amortization of the unfunded liability. Further, all CALPERS plans will be subject to a minimum employer contribution rate equal to the employer normal cost plus a 30-year amortization of surplus, if any.

Pursuant to the current CALPERS valuation policy, the actuarial value of assets for the June 30, 2009 actuarial valuation, which was used to establish the contribution requirements for fiscal year 2010-11, could not be more than 140 percent of the market value or less than 60 percent of the market value. The actuarial value of assets for the June 30, 2010 actuarial valuation, which was used to establish the contribution requirement for Fiscal Year 2011-12, could not be more than 130 percent of the market value or less than 70 percent of the market value. The actuarial value of assets for the June 30, 2011 actuarial valuations, which was used to set the contribution requirements for Fiscal Year 2012-13, could not be more than 120 percent of the market value or less than 80 percent of the market value. Further, the current CALPERS valuation policy dictates that any asset loss outside of the 80 percent to 120 percent corridor will be isolated, and paid down with a fixed and certain 30-year amortization schedule. By utilizing a fixed and certain 30-year payment schedule, CALPERS projects that these losses will be paid in full at the end of 30 years and will be independent of any investment gain or loss experienced by the remainder of CALPERS investment portfolio.

Historical Funding Progress.

The following Tables 15 and 16 sets forth the schedule of funding progress as of the five most recent actuarial valuation dates. Funding progress is measured by a comparison of Miscellaneous Plan assets and Safety Plan assets that have been set aside by CALPERS to pay plan benefits with plan liabilities.

TABLE 15
CITY OF COMPTON
SCHEDULE OF FUNDING PROGRESS — MISCELLANEOUS PLAN
Fiscal Year ended June 30, 2006 through June 30, 2013

Actuarial Valuation Date	Accrued Liability (a)	Actuarial Value of Assets (AVA) (b)	Unfunded Liability (a) — (b)	Funded (AVA) (b)/(a)	Ratios Market Value	Annual Covered Payroll (c)	UL as a% of Covered Payroll [(a)-(b)1/(c)
6/30/2006	$122,975,578	$102,506,156	$20,469,422	83.40%	88.60%	12,174,711	**168.10%**
6/30/2007	130,255,772	109,385,522	20,870,250	84.00	97.90	13,975,341	**149.30**
6/30/2008	136,746,394	115,068,267	21,678,127	84.10	86.40	15,453,499	**140.30**
6/30/2009	152,457,507	120,187,692	32,269,815	78.80	57.80	18,433,468	**175.10**
6/30/2010	157,852,083	124,973,698	32,878,385	79.20	62.20	18,611,429	**176.70**
6/30/2011	167,117,156	130,053,396	37,063,760	77.80	69.30	17,963,289	**206.30**
6/30/2012	170,305,337	131,823,644	38,481,693	77.40	64.60	12,707,049	**302.80**
6/30/2013	173,153,644	117,268,967	55,884,677	67.70	67.70	12,933,325	**432.1%**

Source: 2013 CALPERS Miscellaneous Valuation.

TABLE 16
CALPERS RISK POOL
SCHEDULE OF FUNDING PROGRESS — SAFETY PLAN - FIRE
Fiscal Year ended June 30, 2006 through June 30, 2012

Actuarial Valuation Date	Accrued Liability (a)	Actuarial Value of Assets (AVA) (b)	Unfunded Liability (a) - (b)	Funded Ratios (AVA) (b)/(a)	Market Value	Annual Covered Payroll (c)	UL as a % of Covered Payroll [(a)-(b)]/(c)
6/30/2006	$7,278,049,834	$6,102,615,567	$1,175,434,267	83.90%	88.90%	$754,730,438	155.70%
6/30/2007	7,986,055,176	6,826,599,459	1,159,455,717	85.50	99.00	831,607,658	139.40
6/30/2008	8,700,467,733	7,464,927,716	1,235,540,017	85.80	87.30	914,840,596	135.10
6/30/2009	9,721,675,347	8,027,158,724	1,694,516,623	82.60	60.20	973,814,168	174.00
6/30/2010	10,165,475,166	8,470,235,152	1,695,240,014	83.30	65.40	955,980,815	177.30
6/30/2011	10,951,745,099	9,135,654,246	1,816,090,803	83.40	74.50	949,833,090	191.20
6/30/2012	11,724,021,480	9,854,787,710	1,869,233,770	84.10	70.40	947,734,809	197.20

Source: 2012 CalPERS Safety Risk Pool Valuation.

The following Tables 17 and 18 set forth the value of the assets of the Miscellaneous Plan and the overall Risk Pool in which the Safety Plan — Fire is included, respectively, as of the five most recent actuarial valuation dates based on the actuarial value and market value.

TABLE 17
CITY EMPLOYEES RETIREMENT PLAN - MISCELLANEOUS PLAN
ASSET VALUE COMPARISON
Fiscal Year ended June 30, 2006 through June 30, 2013

Valuation Date	Actuarial Value of Assets	Market Value of Assets
6/30/06	$102,506,156	$108,980,095
6/30/07	109,385,522	127,474,122
6/30/08	115,068,267	118,152,784
6/30/09	120,187,692	88,094,500
6/30/10	124,973,698	98,186,192
6/30/11	130,053,396	115,812,189
6/30/12	131,823,644	109,176,136
6/30/13	117,268,967	117,268,967

Sources: 2013 CALPERS Miscellaneous Valuation.

TABLE 18
CALPERS RISK POOL-SAFETY
ASSET VALUE COMPARISON
Fiscal Year ended June 30, 2006 through June 30, 2011

Valuation Date	Actuarial Value of Assets	Market Value of Assets
6/30/06	$6,102,615,567	$6,469,775,316
6/30/07	6,826,599,459	7,903,684,460
6/30/08	7,464,927,716	7,596,723,149
6/30/09	8,027,158,724	5,850,794,301
6/30/10	8,470,235,152	6,650,160,763
6/30/11	9,135,654,246	8,164,486,471

Sources: 2013 CALPERS Safety Risk Pool Valuation.

UPDATED ***Actuarial Assumptions.*** The CALPERS Actuary considers various factors in determining the assumptions to be used in calculating funding ratios. Demographic assumptions are based on a study of the actual history of retirement, rates of termination/separation of employment, years of life expectancy after retirement, disability and other factors. In addition, the CALPERS Actuary considers certain economic factors assumptions in determining the assumptions to be used in calculating funding ratios. The actuarial assumptions have a significant impact on the determination of the ratio of assets of the Miscellaneous Plan and the Safety Plan that are set aside to pay plan benefits. Significant actuarial assumptions of the CALPERS Actuary in the 2012 CALPERS Miscellaneous Valuation and the 2012 Safety Plan include: (a) a rate of return on the investment of 7.5% per year (net of expenses); (b) an inflation assumption of 3.00% compounded annually; and (c) overall payroll growth of 3.00% compounded annually (used in projecting the payroll over which the unfunded liability is amortized). In addition, actuarially determined assumptions relating to salary growth in the amount of 3.30% to 14.20% for the Miscellaneous Plan and the amount set forth in an actuarially determined table for the Safety Plan and assumptions relating to age, service and type of employment, pre- and post-retirement mortality, marital status, age of spouse, terminated members, termination with refund, termination with vested benefits, non-industrial and industrial disability, and service retirement are included in the 2012 CALPERS Miscellaneous Valuation and the 2012 CALPERS Safety Risk Pool Valuation. The potential liability loss for a cost of living increase exceeding the 3% inflation assumption and the potential liability loss, if any, from future members service purchases are not reflected in the 2013 CALPERS Miscellaneous Valuation or the 2013 CALPERS Safety Valuation.

In April 2012, CALPERS announced changes to certain economic assumptions including the reduction of CALPERS discount rate to 7.50 percent from 7.75 percent. This lower rate will be phased in over a period of two years. The Board of Administration may modify its assumptions based in part on analyses of experience and recommended changes submitted by the CALPERS Actuary.

The following Table 19 sets forth certain economic actuarial assumptions for CALPERS' Public Employees Retirement Fund ("PERF") for the Fiscal Years ended June 30, 2007 through June 30, 2014.

TABLE 19
CALPERS PUBLIC EMPLOYEES RETIREMENT FUND
ACTUARIAL ASSUMPTIONS
Fiscal Years ended June 30, 2007 through June 30, 2014

Actuarial Assumption	2007	2008	2009	2010	2011	2012	2013	2014
Investment Returns	7.75%	7.75%	7.75%	7.75%	7.50%	7.50%	7.50%	7.50%
Inflation	3.00	3.00	3.00	3.00	2.75	2.75	3.00	3.00

Source: CALPERS Comprehensive Annual Financial Reports for Fiscal Years ended June 30, 2008 through June 30, 2014 for the assumptions for Fiscal Years ended June 30, 2007 through June 30, 2014.

CALPERS issues a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CALPERS comprehensive annual financial report and actuarial valuations may be obtained from the CALPERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703. The information set forth therein is not incorporated by reference in this Limited Offering Memorandum.

UPDATED – NO CHANGE ***Investment Policy.*** CALPERS has established a series of procedures and guidelines. The procedures, grouped together as the "Total Fund Statement of Investment Policy" (the "CALPERS Investment Policy"), which was approved by its investment committee on December 14, 2009, guide CALPERS' investment program. The CALPERS Investment Policy has been designed to allow CALPERS to achieve a long-term total return. As such, prudent risk-taking is appropriate within the context of overall diversification to meet CALPERS long-term investment objectives. The assets of CALPERS are to be broadly diversified to minimize the effect of short-term losses within any investment program. In addition, consistent with Article XVI, section 17 of the California Constitution, all of CALPERS investment activities, and all investment transactions, are to be designed and executed solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering CALPERS. The performance objective and benchmark of the Investment Policy directs that: (i) the assets of CALPERS will be invested to meet or exceed the actuarial rate over the long-term; (ii) CALPERS will seek to maximize the returns for the level of risk taken; (iii) CALPERS will seek to achieve a return that exceeds its policy index; and (iv) CALPERS will invest its assets efficiently, bearing in mind the impact of management and transaction costs on the return of the assets.

The following Table 20 sets forth the asset allocations for the PERF, of which the assets for the Safety Plan and the Miscellaneous Plan are a part and are invested accordingly, and the PERF investment portfolio as of March 31, 2013.

TABLE 20
CALPERS PUBLIC EMPLOYEES RETIREMENT FUND
INVESTMENT ASSET ALLOCATION
($ in Billions)
As of March 31, 2014

Asset Class	Market Value	Allocation	Target
Total Equities	$191.74	63.6%	64.0%
Total Fixed Income	47.03	15.6	17.0
Short Term Liquidity	9.05	3.0	4.0
Real Estate Assets	30.15	10.0	11.0
Inflation Protected	9.94	3.3	4.0
Total Plan Level / Multi-Asset	9.04	3.0	-
Absolute Return Strategy	4.53	1.5	-
Total Fund	$301.48	100.0%	100.0%

Source: www.calpers.ca.gov. Target allocation is effective as of 2014.

The following Table 21 sets forth the annualized rate of return on investments in the Public Employees Retirement Fund, which includes the City's Miscellaneous Plan and Safety Plan, for the Fiscal Years ended June 30, 2002 through June 30, 2012 based upon the market value of the investments.

TABLE 21
CALPERS PUBLIC EMPLOYEES RETIREMENT FUND
INVESTMENT RESULTS
Fiscal Year ended June 30, 2005 through June 30, 2014

Fiscal Year Ended June 30	Annualized Rates of Return
2005	12.2
2006	11.9
2007	18.8
2008	(2.9)
2009	(23.6)
2010	11.1
2011	20.7
2012	1.0
2013	12.5
2014	18.4

Sources: CALPERS Facts at a Glance June 2015

Pension Accounting and Financial Reporting Standards. In 2012, the Governmental Accounting Standards Board issued Statement No. 68, Accounting and Financial Reporting for Pensions ("GASB 68"), which revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits, including the City. GASB 68, among other things, requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability and provides greater guidance on measuring the annual costs of pension benefits, including through guidelines on projecting benefit payments, use of discount rates and use of the "entry age" actuarial cost allocation method. GASB 68 also enhances accountability and transparency through revised and new note

disclosures and required supplementary information. The provisions in GASB 68 are effective for fiscal years beginning after June 15, 2014. The City anticipates complying with the provisions of GASB 68 by its effective dates.

UPDATED ***Litigation Regarding Retirement Benefits.*** Historically, the City has used the proceeds of its Charter-Authorized Levy, the tax rate for which is based upon the estimated dollar amount necessary to fund the then-current fiscal year's pension and other benefits costs (taking into account that portion of the levy allocated to redevelopment purposes under Article XVI, Section 16 of the Constitution of the State and applicable law), to provide sufficient revenues to satisfy its pension costs, including amounts due to CALPERS. Since 2007, the City has temporarily borrowed from the Retirement Fund, in which proceeds of the Charter-Authorized Levy are deposited, to satisfy then-current General Fund expenses. Accordingly, the City has not been able to pay in full certain amounts due to CALPERS in connection with the City's pension benefits. On September 21, 2012, California Public Employees Retirement System v. City of Compton was filed by CALPERS in the Sacramento Superior Court alleging that the City had failed to pay to CALPERS approximately $2.04 million relating to retirement and pension benefits. The City has stated that the alleged failure to pay relates to cash flow matters faced by the City. See "CITY FISCAL CRISIS" in the forepart of this Limited Offering Memorandum. During the months of October and December, 2012, the City remitted funds to CALPERS in order satisfy all outstanding amounts then due. Based on the City's payments in October and December 2012, on January 14, 2013, CALPERS filed a Request for Dismissal Without Prejudice of its complaint in the above referenced case. Since 2012, the City has remained current with payment of its obligation to CalPERS because of improvements in the City's cash flow and the balanced budget experienced by the City.

Other Postemployment Benefits

UPDATED ***General.*** In addition to the benefits provided through the Miscellaneous Plan and the Safety Plan, the City provides postemployment healthcare benefits ("OPEB") under the CALPERS health plan which provides medical insurance benefits to eligible retirees and their spouses in accordance with various labor agreements. The City's actuary conducted an OPEB valuation as of June 30, 2011 (the "2011 OPEB Valuation") with respect to the eligible retirees and the benefit levels set by the City. According to disclosures in the City of Compton Annual Financial Report for the Fiscal Year Ended June 30, 2012, the 2011 OPEB Valuation reflected an actuarial accrued liability of approximately $116.9 million as of June 30, 2011, which amount is a decrease in the actuarial accrued liability of approximately $8.80 million from June 30, 2009. The 2011 OPEB Valuation reflected an actuarial value of assets of $0 and an annual required contribution of 46.4% of projected payroll as of June 30, 2012 and 36.0% of projected payroll as of June 30, 2013. The City's OPEB valuation as of June 30, 2009 (the "2009 OPEB Valuation") reflected an annual contribution of 37.4% of projected payroll as of June 30, 2010 and 48.8% of projected payroll as of June 30, 2011. The pay-as-you-go cost of the City's OPEB was approximately $3.57 million as of June 30, 2011. The annual required contribution in the 2009 OPEB Valuation was used to determine the contribution requirement for Fiscal Years 2011-12 and 2012-13. The assumptions used in the 2011 OPEB Valuation included an individual entry-age normal cost method, 4.25% rate of return on investments, an aggregate payroll increase of 3.25% per year with merit increased based upon CALPERS' 1997-2007 CALPERS Experience Study (the "CALPERS Experience Study"), mortality, withdrawal, disability and retirement based upon the CALPERS Experience Study. The assumptions regarding investment rate of return and health care cost include a 3% inflation assumption. In addition, the 2009 Postemployment Valuation assumes full funding of the ARC through CALPERS' California Employers' Retiree Benefit Trust Fund. The UAAL of the City's OPEB plan is being amortized as a level percentage of projected payroll over 30 years. Plan changes are amortized over a fixed period of 20 years and assumption changes and experience gains and losses are amortized over a fixed period of 15 years. The next OPEB valuation will be as of June 30, 2014. Any changes made by the City to the assumed investment rate of return will apply to future OPEB valuations.

The following Table 22 sets forth members of the City's OPEB plan as of June 30, 2012.

TABLE 22
CITY OF COMPTON
OPEB PLAN MEMBERSHIP
Fiscal Year ended June 30, 2012

	Miscellaneous	Safety Police	Safety Fire	Total
Active Members	233	--	68	301
Service Retirees	442	270	136	848
Total Membership	675	270	204	1,149

Sources: 2012 OPEB Valuation.
(1) Includes Beneficiaries.

The City currently funds these benefits on a pay-as-you-go basis, paying an amount in each Fiscal Year equal to the benefits distributed or disbursed in that Fiscal Year. The City makes a defined monthly payment towards the cost of each retiree's coverage. The City contributed $3,569,781 to the plan for the Fiscal Year ended June 30, 2011. The City's contribution rate for Fiscal Year 2011-12 was $3,760,080 and the City's contribution rate for Fiscal Year 2012-13 was $3,960,524.

The City's ARC for OPEB was $11,599,000 for Miscellaneous Plan members and $2,994,000 for Safety Plan members for Fiscal Year ended June 30, 2011. The following Table 23, based on the actuarial valuation as of June 30, 2009, shows the components of the City's annual OPEB Cost for the year, the amount contributed to the plan, and the change in the City's Net OPEB obligation.

TABLE 23
CITY OF COMPTON
ANNUAL PENSION COST AND PREPAID PENSION ASSET(1)
Fiscal Year ended June 30, 2012

	Total
Annual Service Cost	$9,271,000
Interest on Net OEB Obligation	1,073,000
Adjustment to Service Cost	(1,139,000)
Required Contribution During the Year (if plan is	$9,205,000
Contribution paid (based on Pay-As-You-Go Basis)	(3,476,000)
Increase in Net OPEB Obligation	$5,444,920
Net OPEB Obligation — Beginning of Year	$25,247,219
Net OPEB Obligation — End of Year	$30,692,139

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012

Table 24 below set forth the City's annual OPEB Cost, the percentage of the annual OPEB cost contributed by the City and the Net OPEB obligation subsequent to such contributions for the Fiscal Years ended June 30, 2009, June 30, 2010 and June 30, 2011. Pursuant to City policy, the City operates a pay-as-you-go plan with respect to its OPEB. Accordingly, the annual OPEB contribution paid is lower than the actuarially determined required contribution. Further, the City pays its OPEB on actual invoice basis representing the actual health expenses incurred by the covered retired employees during the year rather than pre-funding OPEB payments. There is presently no plan asset attributable to the OPEB plan and the City does not intend to prefund the OPEB plan.

TABLE 24
CITY OF COMPTON
ANNUAL OPEB COST
Fiscal Years ended June 30, 2009 through 2012

Fiscal Year Ended (June 30)	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	$10.625.321	31%	$ 9.819.737
2010	10,795,364	30	17,364,000
2011	11,453,000	31	25,247,219
2012	9,205,000	41	30,692,139

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012.

OPEB Historical Funding Progress. The following Table 25 sets forth the schedule of funding progress of the City's AAL with respect to OPEB plan members as based upon the Actuarial Valuation of the City of Compton for the Year ended June 30, 2009 (the "2009 OPEB Valuation"). Funding progress is measured by a comparison of assets which have been set aside by the City to pay OPEB benefits with plan liabilities.

TABLE 25
CITY OF COMPTON - OPEB
OPEB SCHEDULE OF FUNDING PROGRESS — MISCELLANEOUS
Fiscal Year ended June 30, 2011

Valuation (Date)	Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Payroll
June 30, 2009	$125,693,000	$ 0	$125,693,000	N/A	$24,697,000	508.94%
June 30,2011	116,939,000	0	116,939,000	N/A	26,315,000	444.00%

Source: 2011 OPEB Valuation.

Insurance

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City has established a Self Insurance Fund (an internal service fund) to account for and finance its self-insured risks of loss (the "Self Insurance Fund"). The Self Insurance Fund provides self-insurance to protect the City from losses due to workers' compensation and general liability claims which include all other risks of loss. The following Table 26 sets forth the Self Insurance Fund's claims liability amount in Fiscal Years 2006-07 through 2010-11.

TABLE 26
CITY OF COMPTON
CLAIMS AND JUDGMENTS
Fiscal Years 2006-07 through 2011-12

Fiscal Year	Beginning of Fiscal-Year Liability	Current-Year Claims and Changes in Provision	Claim Payments	Balance at Fiscal Year-End
2006-07	$ 8,249,762	$5,023,726	$(3,260,366)	$10,013,122
2007-08	10,013,122	1,810,808	(3,738,337)	5,674,940
2008-07	5,674,940	1,916,375	(2,445,387)	5,145,928
2009-10	5,145,928	5,575,232	(2,668,952)	8,052,208
2010-11	8,052,208	3,427,720	(1,712,085)	9,767,843
2011-12	9,767,843	3,256,258	(1,677,063)	11,347,038

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012.
Includes incurred claims representing the total of a provision for events of the current fiscal year and any change in the provision for events of prior fiscal years.

Indebtedness

Debt Policy. The City Charter provides that the bonded indebtedness of the City may not exceed the sum of fifteen (15%) percent of the total assessed valuation of property within the City, exclusive of any indebtedness that has been or may hereafter be incurred for the purpose of acquiring, establishing or extending a system of water-works for the supplying of water, or for the purpose of constructing sewers or drains in the City, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and the City Charter. The taxable property value in the City for Fiscal Year 2014-15 is approximately $5.19 billion, which results in a total current bonding capacity of approximately $778.5 million. The City has never failed to pay any note, long term indebtedness or lease obligation as and when due.

Long Term Debt.

The following Table 27 sets forth of long-term debt obligations payable from the City's General Fund.

TABLE 27
CITY OF COMPTON
SUMMARY OF LONG-TERM DEBT OBLIGATIONS
PAYABLE FROM THE GENERAL FUND
As of June 30, 2014

	Interest Rates	Final Maturity Dates	Original Principal Amounts	Principal Amounts Outstanding
City of Compton				
Energy Retrofit/Revenue Enhancement Mortgage Loan (2006)	4.52	July 2022	4,012,184	2,559,554
Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Projects) Series 2008	5.00 —	September 1, 2032	46,860,000	45,730,000
Total			$550,872,18	$48,289,55

Source: City of Compton.
The long term obligations listed in Table 26 reflect obligations payable from General Fund revenues. The long-term obligations set forth in Note 8 of the City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012 include obligations payable from enterprise fund revenues and other sources outside of the City's General Fund.

Lease Obligations. As of June 30, 2015, the City was the lessee under certain capital leases in effect with respect to tree trimming truck, film processor / speedsetter equipment and a printing press machine. The following Table 28 sets forth the minimum lease obligation in Fiscal Years 2012-13 through 2014-15 required by the City under capital leases as of June 30, 2015.

TABLE 28
CITY OF COMPTON
MINIMUM CAPITAL LEASE OBLIGATION
As of June 30, 2012

Fiscal Year ending June 30	Principal	Interest
2013	234,021	36,421
2014	172,251	15,727
2015	23,752	557
Totals	$430,024	$52,705

Source: City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012.
The balances of the capital lease for 2013, 2014, and 2015 are shown on the City of Compton Annual Financial Report for Fiscal Year ended June 30, 2012.

Direct and Overlapping Debt

Set forth in the following Table 29 on the following page is a direct and overlapping bonded indebtedness report as of October 1, 2013 (the "Debt Report") which was compiled by California Municipal Statistics, Inc. The Debt Report is included for general information purposes only. The City has not reviewed the Debt Report for completeness or accuracy and makes no representations in

connection therewith. The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the City.

Such long-term obligations generally are not payable from revenues of the City (except as indicated) nor are they necessarily obligations secured by land within the City. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

TABLE 29
CITY OF COMPTON
Estimated Direct and Overlapping Bonded Debt
As of October 1, 2013

2012-13 Assessed Valuation: $4,804,119,904

OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/13	% Applicable (1)	City's Share of Debt	
Los Angeles County Flood Control District	$ 19,770,000	0.436%	$ 86,197	
Metropolitan Water District	165,085,000	0.229	378,045	
Compton Community College District	62,776,122	29.476	18,503,890	
Compton Unified School District	54,955,197	54.122	29,742,852	
Lynwood Unified School District	47,159,749	0.980	462,166	
Paramount Unified School District	116,474,292	0.031	36,107	
Los Angeles County Regional Park and Open Space Assessment District	142,870,000	0.441	630,057	
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			$49,839,314	
DIRECT AND OVERLAPPING GENERAL FUND DEBT:				
Los Angeles County General Fund Obligations	$1,729,437,327	0.441%	$ 7,626,819	
Los Angeles County Superintendent of Schools Certificates of Participation	10,377,239	0.441	45,764	
Compton Unified School District Certificates of Participation	27,175,000	54.122	14,707,654	
Lynwood Unified School District Certificates of Participation	21,480,000	0.980	210,504	
Paramount Unified School District Certificates of Participation	25,090,000	0.031	7,778	
City of Compton Certificates of Participation	**45,730,000**	**100.**	**45,730,000**	
Los Angeles County Sanitation District No. 1 Authority	18,499,341	13.879	2,567,524	
Los Angeles County Sanitation District No. 2 Authority	28,564,332	0.008	2,285	
Los Angeles County Sanitation District No. 8 Authority	11,288,967	7.318	826,127	
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			$71,724,455	
Less: Los Angeles County General Fund Obligations supported by landfill revenues			24,219	
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			$71,700,236	
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	$117,747,530	100.%	$117,747,530	
TOTAL DIRECT DEBT			$45,730,000	
TOTAL GROSS OVERLAPPING DEBT			$193,581,299	
TOTAL NET OVERLAPPING DEBT			$193,557,080	
GROSS COMBINED TOTAL DEBT			$239,311,299	(2)
NET COMBINED TOTAL DEBT			$239,287,080	

Ratios to 2012-13 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.04%
Combined Direct Debt ($45,730,000)	**0.95%**
Gross Combined Total Debt	4.98%
Net Combined Total Debt	4.98%

Ratios to Redevelopment Successor Agency Incremental Valuation ($1,875,813,641):

Total Overlapping Tax Increment Debt	6.28%

Source: MuniService, LLC.

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

General Fund Financial Statements

CONFIRMED AND UPDATED Except as noted below, the City's accounting policies and audited financial statements conform to generally accepted accounting principles and standards for public financial reporting established by the Governmental Accounting Standards Board ("GASB").

The City's basis of accounting for its governmental type funds and agency funds is the modified accrual basis with revenues being recorded when available and measurable and expenditures being recorded when services or goods are received and with all unpaid liabilities being accrued at year end. The accrual basis of accounting is utilized in the Proprietary Funds and the Pension Trust Fund. All of the financial statements contained in this Limited Offering Memorandum, other than the General Fund Cash Flow Schedules, have been prepared as described above.

Funds accounted for by the City are categorized as follows:

Governmental Funds	Proprietary Funds	Fiduciary Funds
General Fund	Enterprise Funds	Agency Funds
Capital Projects Funds	Internal Service Funds	Successor Agency Trust Funds
Special Revenue Funds		
Debt Service Funds		
Nonmajor Governmental Funds		

City Investment Policy

UPDATED The City's current investment policy (the "Investment Policy") was filed by the City Treasurer pursuant to Section 53646(a) of the California Government Code. The Investment Policy provides guidelines for City officers charged with the investment of idle cash to ensure prudent investment and cash management practices. The Investment Policy establishes three criteria for selecting investment vehicles: safety, liquidity and yield. The Investment Policy states that its primary objectives are to protect the principal and asset holdings of the City's portfolio, to ensure adequate liquidity is provided for the prompt, efficient handling of the City's disbursement, and to generate the maximum amount of investment income within the parameters of the Investment Policy and the guidelines for suitable investments. The ultimate goal is to enhance the economic status of the City while protecting its funds.

The City Treasurer is required to provide a monthly report (the "Treasurer's Monthly Report") to the City Council showing the type of investment, institution, date of maturity, par value of investment,

cost basis of investment, current market value change of all securities, rate of interest, interest earned, gains and losses and such data as may be required by the City Council. The City Treasurer's Monthly Report is also required to comply with Governmental Accounting Standards Board Statement No. 31 and to detail all repurchase agreements and state its compliance with the Investment Policy as directed under the Government Code.

The Investment Policy allows the City to invest in various instruments that have maturities of five years or less at the time of purchase in the treasury of the City (the "City Treasury"). These investments generally include (i) United States Treasury Bills, Notes and Bonds, or those for which the full faith and credit of the United States are pledged for payment of principal and interest; (ii) obligations issued by the Government National Mortgage Association, the Federal Farm Credit Bank System, the Federal Home Bank Board, and the Federal National Mortgage Association and those insured by the Federal Housing Administration; (iii) bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as banker's acceptance; (iv) Commercial paper ranked "P 1" by Moody's Investor Services and "A 1+" by Standard and Poor's, and issued by a domestic corporation having assets in excess of $500,000,000 and having an "AA" or better rating on its long term debentures as provided by Moody's or Standard and Poor's; (v) negotiable certificates of deposit issued by a nationally or State-Chartered Bank or a State or Federal Savings and Loan Association; (vi) repurchase agreements with banks and dealers with which the City has entered into a master repurchase contract that specifies terms and conditions of repurchase agreements; (vii) reverse repurchase agreements that specify terms and conditions may be transacted with broker dealers and financial institutions, but do not exceed 20% of the portfolio value on the date entered into and do not exceed 90 days; (viii) Local Agency Investment Fund; (ix) non-negotiable time deposits collateralized in accordance with the California Government Code; (x) medium term cooperate notes, with a maximum maturity of five years, may be purchased; (xi) mutual funds investments; and (xii) mutual funds (money market funds). The Investment Policy prohibits investments not described in the Investment Policy, including, but not limited to common stocks from the use in the City's investment fund. From time to time bills are proposed in the State Legislature that would modify the currently authorized investments and place restrictions on the ability of local agencies to invest in various securities. Therefore, there can be no assurances that the current investments in the City Treasury will not vary from the investments described herein or as may be authorized in the future by the California Government Code.

The City may not invest in securities with maturities greater than five years from the date of investment and directs that market risk, defined as market value fluctuations due to overall, changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the City's investment portfolio to two years. The City believes that the City Treasury is prudently invested and that investments therein are scheduled to mature at the times and in the amounts that are necessary to meet the City's expenditures and other scheduled withdrawals.

The City Investment Policy allows for purchase of a variety of securities with limitations as to exposure, maturity and rating, varying with each security type. The composition of the City Treasury will change over time as old investments mature and as new investments are made. Since July 1, 1997, the City, in accordance with new GASB regulations, has not realized market value fluctuations for the investments in the City Treasury on its income statements but has disclosed gains.

As of September 30, 2012, City Treasury reflected an effective rate of return of 1.40% since July 1, 2012. The City determines the market value of the City Treasury on a monthly basis but does not mark-to-market. Current liquidity in the City Treasury, consisting of cash, investments in mutual funds and investments in cash equivalents, is approximately 100% as of June 30, 2012. The weighted average days-to-maturity for the month ended September 30 2012 was one day.

Derivatives such as inverse-floating rate securities are not held in the City Treasury. The City Treasury also does not own any reverse repurchase agreements, nor has the City engaged in securities lending. The City Treasury has not purchased and does not own any collateralized debt obligations, collateralized loan obligations, or any other securities backed by or derived from sub-prime or Alt-A mortgages.

The value of the various investments in the City Treasury will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Therefore, there can be no assurance that the values of the various investments in the City Treasury will not vary from the values described herein.

The following Table 30 reflects various information with respect to the City Treasury as of the close of business on March 31, 2015 (the "March 2015 Treasury Report"). Apart from the investment report produced periodically, the City Treasurer also produces weekly cash balance report utilized to monitor the City's actual cash balance in the bank. As of June 22, 2015, the City had approximately $14.22 million in the City's general bank account compared to $13.43 million in the bank as of same period of prior year. The City has payments of principal of and interest due on the City's Sewer Refunding Bonds, Series 1998 and Sewer Revenue Bonds, Series 2009 and the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects) which will be paid from the available cash in the bank and the City's investments. As described above, a wide range of investments are authorized under State law. For additional information concerning City investments, see "APPENDIX C-1: CITY OF COMPTON ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012" attached to this Limited Offering Memorandum.

TABLE 30
CITY OF COMPTON
City Treasury
As of March 31, 2015

	Net Market Value	Percentage of Total Net Market Value
INVESTMENTS		
Passbook/Checking Accounts	$706,813	2.56%
Local Agency Investment Fund	26,791,140	96.99
Managed Pool & Money Market Account	124,284	0.45
TOTAL INVESTMENTS"	27,622,237	100.00

Source: City of Compton City Treasurer.

UPDATED STATE OF CALIFORNIA BUDGET AND SUPPLEMENTAL FINANCIAL INFORMATION

The following information concerning the State's budgets has been obtained from publicly available information which the City believes to be reliable; however, the City takes no responsibility as to the accuracy or completeness thereof and has not independently verified such information. Information about the State Budget is regularly available at various State-maintained websites. Text of the State budget may be found at the Department of Finance website, www.dof.ca.gov, under the heading "California Budget". An impartial analysis of the State's budget is posted by the Legislative Analyst's Office (the "LAO") at www.lao.ca.gov. In addition, certain State official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer, www.treasurerca.gov and the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System, emma.msrb.org. The information referred to on the website of the State Treasurer is prepared by the State and not by the City, and the City takes no responsibility for the continued

accuracy of the internet address of the State Treasurer or for the accuracy, if any, or timeliness of information posted there, and such information is not incorporated herein by these references.

The State Budget Process; Fiscal Year 2015-16 State Budget -UPDATED

According to the State Constitution, the Governor of the State (the "Governor") is required to propose a budget to the State Legislature (the "Legislature") no later than January 10 of each year, and a final budget must be adopted by the vote of each house of the Legislature no later than June 15, although this deadline has been routinely breached in the past. The State budget becomes law upon the signature of the Governor, who may veto specific items of expenditure.

Prior to Fiscal Year 2010-11, the State budget had to be adopted by a two-thirds vote of each house of the Legislature. However, in November 2010, the voters of the State passed Proposition 25, which reduced the vote required to adopt a budget to a majority vote of each house and which provided that there would be no appropriation from the current budget or future budget to pay any salary or reimbursement for travel or living expenses for members of the Legislature for the period during which the budget was presented late to the Governor.

UPDATED In January 2014, the Governor released his proposed budget for 2015-2016 (the "2015-16 Governor's Budget"). The budget proposes debt repayment of $1.9 billion and allocation of $1.8 billion to enable the State respond to drought impacts.

UPDATED **May Revision to the Proposed 2015-16 Budget**

In May 2014, the Governor released his May Revision to the 2015-16 Governor's Budget (the "May Revision"). The May Revision contained very few changes to the Governor’s January Budget Proposal but maintained the Governor’s conservative approach to estimating state revenues. The May Revision assumed state revenues are $6.7 billion higher than the January Budget Proposal and proposes to increase General Fund spending by $5.5 billion for K-12 schools and community colleges, and the increase in the State’s Rainy Day Fund.

Future State Budgets

No prediction can be made by the City as to whether the State will continue to encounter budgetary problems in this or in any future fiscal years, and, if it were to do so, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the final outcome of current or future State budget negotiations, the impact that such budgets will have on City finances and operations or what actions will be taken by the Legislature and Governor to deal with changing State revenues and expenditures. There can be no assurance that actions taken by the State to address its financial condition will not materially adversely affect the financial condition of the City. Current and future State budgets will be affected by national and State economic conditions and other factors, including economic downturns, over which the City has no control.

Potential Impact of the State of California's Financial Condition on the City

There can be no assurance that, as a result of the current State financial condition, the State will not significantly reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of its efforts to address State financial difficulties. No prediction can be made by the City as to what measures the State will adopt to respond to the current or potential future financial difficulties. The City cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on the City's finances and operations or what actions will be taken in the future by the Legislature and Governor to deal with changing State

revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors, including economic downturns, over which the City has no control. There can be no assurance that State actions to respond to State financial difficulties will not adversely affect the financial condition of the City.

DEMOGRAPHIC INFORMATION

Population

The following Table 31 sets forth estimates of the population of the City, the County and the State of California as of January 1 for the years 2004 through 2015.

TABLE 31
CITY, COUNTY AND STATE POPULATION ESTIMATES
2004 through 2015

Year (as of January 1)	City of Compton	County of Los Angeles	State of California
2004	95,882	9,806,944	35,570,847
2005	96,033	9,816,153	35,869,173
2006	95,659	9,798,609	36,116,202
2007	99,451	9,780,808	36,399,676
2008	99,242	9,785,474	36,704,375
2009	99,431	9,801,096	36,966,713
2010	99,064	9,822,121	37,223,900
2011	96,925	9,847,712	37,427,946
2012	97,058	9,963,811	37,984,138
2013	97,606	10,017,068	38,332,521
2014	98,082	10,041,797	38,340,074
2015	98,506	10,136,559	38,714,725

Sources: City of Compton for Population Estimates for the City; State of California Department of Finance Demographic Research Unit for Population Estimates of the County and the State.

Labor Force

The following Table 32 sets forth the labor force, employment and unemployment figures from calendar year 2010 through 2014 for the City, the County and the State of California.

TABLE 32
CITY OF COMPTON, COUNTY OF LOS ANGELES AND STATE OF CALIFORNIA
CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
Calendar Years 2010 through 2014[(1)]

	Labor Force	Employment	Unemployment	Unemployment Rate[(2)]
2010				
City of Compton	37,500	29,500	7,900	21.1
County of Los Angeles	4,910,500	4,291,400	619,100	12.6
State of California	18,316,400	16,051,500	2,264,900	12.4
2011				
City of Compton	37,500	29,700	7,700	20.6
County of Los Angeles	4,924,400	4,318,900	605,500	12.3
State of California	18,384,900	16,226,600	2,158,300	11.7
2012				
City of Compton	36,700	29,900	6,800	18.6
County of Los Angeles	4,879,700	4,345,700	534,000	11.0
State of California	18,496,000	16,561,500	1,934,500	10.45
2013				
City of Compton	36,800	30,600	6,200	17.0
County of Los Angeles	4,954,800	4,454,800	500,000	10.1
State of California	18,661,000	17,155,600	1,505,400	8.1
2014				
City of Compton	40,900	35,700	5,200	12.7
County of Los Angeles	5,025,900	4,610,800	415,100	8.3
State of California	18,811,400	17,397,100	1,414,300	7.5

Source: State of California Employment Development Department.
(1) All information updated per March 2014 Benchmark.
(2) The State Employment Development Department has reported a preliminary non-seasonally adjusted unemployment rate within the City of 10.9% for April 2015

The following Table 33 sets forth the annual averages for non-agricultural labor force and industry employment within the County from 2010 through 2014.

TABLE 33
COUNTY OF LOS ANGELES
NON-AGRICULTURAL LABOR FORCE AND INDUSTRY EMPLOYMENT
ANNUAL AVERAGES
2010 to 2014
(in thousands)

Employment Sector	2010	2011	2012	2013	2014
Mining and Logging	4.1	4.0	4.2	4.6	4.7
Construction	104.5	103.5	108.8	116.5	120.2
Manufacturing	373.2	365.4	365.7	366.5	364.9
Trade, Transportation and Utilities	739.8	748.0	762.0	780.7	800.7
Information	191.5	195.6	190.3	197.3	195.9
Financial Activities	209.5	209.4	210.2	211.8	209.7
Professional and Business Services	527.5	540.4	567.2	590.3	609.4
Educational and Health Services	522.0	534.8	544.3	713.4	748.0
Leisure and Hospitality	384.8	392.8	414.1	436.7	464.6
Other Services	136.7	135.0	140.7	145.5	151.7
Government	579.6	565.2	556.8	549.2	556.7
Total((	3,773.1	3,794.1	3,864.1	4,112.5	4,226.5

Source: California Employment Development Department, May 2015 Benchmark. Totals may not equal sum of component parts due to rounding.

The following Table 34 sets forth the largest employers and the estimated number of employees for such employers in the City during calendar year 2013.

TABLE 34
CITY OF COMPTON TOP TEN EMPLOYERS
Calendar Year 2013
Product/Services

Company's Name	Number of Employees	Percent of Total Employment (%)
Compton Unified School District	2,933	7.91%
Ralph's Grocery Company	1,519	4.09%
Compton Community College Dist	472	1.27%
City of Compton	330	0.89%
4 Wheel Parts Wholesalers Inc	300	0.81%
Foster Farms	267	0.72%
Nabors Well Services Co	250	0.67%
Gourmet Foods Inc	245	0.66%
Celebrity Casinos Inc	200	0.54%
Judiciary Counsel Of The St Of C	160	0.43%
Total Top Employers	6,676	17.99%
Total Labor Force (1)	37,100	100.00%

Source: City of Compton

Household Income

The following Table 35 sets forth the median household income for the City, the City, the State, and the United States for calendar years 2009 through 2013.

TABLE 35
MEDIAN HOUSEHOLD INCOME[I]
Calendar Years 2009 through 2013

Year	City of Compton	County of Los Angeles	State of California	United States of America
2009	44,370	54,467	58,931	50,221
2010	43,728	52,684	57,708	50,046
2011	39,234	52,280	57,287	50,502
2012	41,060	53,001	58,328	51,371
2013	42,953	55,909	61,094	53,046

Source: U.S. Census Bureau - Economic Characteristics - American Community Survey. City of Compton
[(1)]Estimated. In inflation-adjusted dollars.

Per Capita Personal Income

The following Table 36 sets forth the per capita income within the County, the State and the United States from 2009 through 2013.

TABLE 36
STATE OF CALIFORNIA AND UNITED STATES OF AMERICA
PER CAPITA PERSONAL INCOME[(1)]

	Calendar Years 2009 to 2013				
	2009	2010	2011	2012	2013
County of Los Angeles	40,111	41,025	42,564	44,474	46,530
State of California	41,034	41,893	43,647	46,477	48,434
United States of America	38,637	39,791	41,560	43,735	44,765

Source: U.S. Bureau of Economic Analysis.
(1) Estimated. Not adjusted for inflation.

Construction Activity

The following Table 37 sets forth the number of new privately-owned single family and multi-family residential building permits issued within the City from calendar years 2009 through 2013.

TABLE 37
CITY OF COMPTON
BUILDING PERMITS
Calendar Years 2009 to 2013

	2009	2010	2011	2012	2013
New Dwelling Units:					
Single Family	39	34	25	1	4
Multiple Family	0	0	0	0	0
Total	39	34	25	1	4

Source: U.S. Bureau of the Census.

The following Table 38 sets forth the permit valuation of residential and non-residential construction within the City from calendar years 2007 through 2012.

TABLE 38
CITY OF COMPTON
BUILDING PERMIT VALUATION BY TYPE OF CONSTRUCTION
Calendar Years 2007 to 2010
($ in thousands)

Type	2007	2008	2009	2010
Residential[(1)]	$14,381,195	$26,961,695	$10,806,539	$15,655,701
Non-Residential[(IX2)]	51,148,153	19,023,995	72,474,782	22,996,482
Total Valuation[(1)]	$65,529,348	$45.985.690	$83 281,321	$38,652.183

Source: California Home Building Foundation
(1) Includes alterations.
(2) Includes residential-garages.

Regional Economy

The following Table 39 sets forth the County's gross domestic product, which is an estimate of the value for all goods and services produced in the County, from Fiscal Years 2009 through 2013.

TABLE 39
COUNTY OF LOS ANGELES
GROSS DOMESTIC PRODUCT
Fiscal Years ended June 30, 2009 through June 30, 2013
($ in billions)

Fiscal Year	Gross Domestic Product
2008-09	745.7
2009-10	717.2
2010-11	735.7
2011-12	765.8
2012-13	826.8

Sources: Bureau of Economic Analysis, U.S. Department of Commerce; reflects data as of September 2014.

Commercial Activity

The following Table 40 sets forth information regarding taxable sales in the City for calendar years 2006-2008. In early 2007, the California State Board of Equalization began a process of converting business codes of sales and use tax permit holders to North American Industry Classification System ("NAICS") codes. The California State Board of Equalization completed the process of converting business codes of sales and use tax permit holders to NAICS codes for 2009 data. As a result of the coding change process, industry data for 2007 and 2008 is not comparable with data from prior years. The following Table 41 reflects implementation of the NAICS codes and new industry categories.

TABLE 40
CITY OF COMPTON
TAXABLE SALES
Calendar Years 2006 to 2008
($ in thousands)

Type of Business	2006 Annual	2007[1] Annual	2008[1] Annual
Apparel Stores	$ 16,139	$ 15,582	$ 22,740
General Merchandise	28,199	40,925	53,905
Food Stores	41,102	49,774	42,594
Eating/Drinking Establishments	41,698	44,983	51,075
Home Furnishings/Appliances	16,852	13,300	29,691
Building Materials	7,573		
Automotive Dealers and Auto Supplies(3)	26,456	26,164	21,866
Service Stations	60,543	63,192	75,033
Other Retail Stores(2)	32,940	54,902	75,299
All Other Outlets	226,127	206,602	202,074
TOTAL ALL OUTLETS:	$497,620	$515,424	$574,277

Source: California State Board of Equalization, Taxable Sales in California.
(1) In early 2007 the California State Board of Equalization began a process of converting business codes of sales and use tax permit holders to North American Industry Classification System codes. As a result of the coding change process, industry data for 2007 and 2008 are not comparable with data from prior years.
(2) In 2007 and 2008, industry data for Specialty Stores were included in Other Retail Stores.
(3) Prior to 2007, industry data for Service Stations were included in Automotive.

The following Table 41 sets forth taxable sales in the City for the calendar years 2009 through 2013.

TABLE 41
CITY OF COMPTON
TAXABLE SALES
Calendar Years 2009 to 2013
($ in thousands)

Type of Business Retail and Food Services	2009 Annual	2010 Annual	2011 Annual	2012 Annual	2013 Annual
Motor Vehicles and Parts Dealers	$ 24,163	$ 22,057	$ 24,421	$ 20,260	$27,104
Home Furnishings and Appliance Stores	39,050	36,384	38,703	56,658	43,310
Building Material, Garden Equipment and					
Food and Beverage Stores	50,393	56,964	74,016	60,404	77,368
Gasoline Stations	59,829	66,560	86,560	98,910	95,125
Clothing and Clothing Accessories Stores	32,392	36,473	40,186	43,843	46,596
General Merchandise Stores	36,147		39,162	41,077	42,474
Food Services and Drinking Places	56,330	56,815	60,178	65,002	72,331
Other Retail Group	67,959	105,164	68,591	70,567	72,912
All Other Outlets	164,317	159,448	163,755	175,894	200,568
TOTAL ALL OUTLETS:	$530,579	$539,865	$595,571	$638,615	$677,787

Source: California State Board of Equalization, Taxable Sales in California.

Community Facilities

UPDATED The City contains several hospitals, theaters and other recreational venues, including the Compton Par 3 Golf Course and the Compton/Woodley Airport, which offers flight training programs and Tomorrow's Aeronautical Museum.

Transportation

UPDATED The City is known as the "Hub City" because of its unique position in almost the exact geographical center of the County. Interstate Highways 105, 110, 710, and 405, along with State Highway 91 outline the general boundaries of the City and provide superior access to destinations throughout the region. The Port of Long Beach and the Port of Los Angeles are less than 20 minutes from downtown Compton and provide access to international destinations for customers, suppliers and leisure travelers. The Alameda Corridor, a passageway for approximately 25 percent of all United States waterborne international trade, runs directly through the City from north to south.

Compton/Woodley Airport is a small general aviation airport located in the City and is situated within a few miles of both Los Angeles International Airport and Long Beach Airport. The Los Angeles Metropolitan Transportation Authority provides Metro Blue Line light rail service running north-south through the City and connects the City to the downtown areas of the City of Los Angeles and the City of Long Beach.

Education

UPDATE The Compton Unified School District (the "District") operated twenty-two elementary schools, eight middle schools and three senior high schools as of October 2012. The District also maintains one adult school and three alternative schools. The District has a population of approximately 100,000 residents and encompasses approximately 10.5 square miles. The District's enrollment has decreased from 30,775 in the 1999-00 school year to 28,538 in the 2006-07 school year.

El Camino College Compton Center (formerly known as Compton Community College, the "College"), which is located in the City, has a full schedule of academic and vocational classes and offers Associate of Arts degrees and course credits that are transferable to universities within the University of California and California State University systems. The College became a part of El Camino College on August 23, 2006, after several years of financial and accreditation problems beginning in January 2003. In May 2004, these problems resulted in the appointment by the State of a special trustee to assist the College's return to financial stability. In June 2005, the Accrediting Commission for Community and Junior Colleges terminated the College's accreditation effective August 2005. In June 2006, the State provided the College with a $30 million recovery loan and offered accredited college courses to students upon the College's partnership with a community college of good standing in the State. In August 2006, the College officially became a part of neighboring El Camino College. The College's enrollment has increased from 4,314 in the 2005-06 school year to 6,626.23 in the 2010-11 school year.

APPENDIX B
CITY OF COMPTON CASH FLOW PROJECTIONS

Cashflows

The estimates in the following tables have been prepared by the City. The projected cash flow for Fiscal Year 2015-16 was prepared based on the current information available. The statements in this Limited Offering Memorandum relating to the cashflow projections constitute "forward-looking statements." Such forward-looking statements refer to the achievement of certain results or other expectations or performance which involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors may cause actual results, performance or achievements to be materially different from any projected results, performance or achievements described or implied by such forward-looking statements. The City does not plan to issue updates or revisions to such forward looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur, or if actual results, performance or achievements are materially different from any results, performance or achievements described or implied by such forward-looking statements.

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TABLE B-1
CITY OF COMPTON
GENERAL FUND CASHFLOW FOR FISCAL YEAR 2013-14

UPDATE WITH TABLE FROM CITY

UPDATE WITH TABLE FROM CITY TABLE B-2
CITY OF COMPTON
PROJECTED GENERAL FUND CASHFLOWS FOR FISCAL YEAR 2015-16
Projected

Available Cash Resources

The City could borrow for General Fund purposes certain funds held by the City outside the General Fund (the "Available Cash Resources"). Available Cash Resources are estimated to be approximately $47 million as of June 22, 2015. The City has used Available Cash Resources to lower temporary cash shortfalls in the General Fund, but it has never used Available Cash Resources to meet its tax and revenue anticipation note pledge requirements. The Purchaser should be aware that the Available Cash Resources have restricted uses, and any other use, including payment of principal of and interest on the Notes, may be subject to approval by the City Council. The City makes no representation that such funds would in fact be made available for the payment of principal of and interest on the Notes in the absence of other revenues. The following Table B-3 sets forth the estimated Available Cash Resources as of June 22, 2015.

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TABLE B-3
City of Compton
Available Cash Resources as of June 22, 2015

Fund	June 22, 2015
Measure R	1,504,056
Proposition A	2,026,674
Retirement Fund	6,131,146
Successor Agency- General	7,834,239
Successor Agency - Low Cost Housing	177,586
Successor Agency - Obligation Refund	0
PFA	179,145
Regional Park	2,745,948
Family Self Sufficiency	401,196
Careerlink	267,804
Section 108 HUD	2,383,418
Police Drug Prop	3,184
Sewer Bond	838,143
Liability	232,373
Proposition C	5,383,600
Workers Compensation	130,279
LHA	1,526,644
EMS Acct	418,494
Parking Violations	144,308
RVR MNT Consery	11,775
EDA Revolving Loan	437,115
Formal Assurance Program	123,783
General City Account	14,217,093
Total	**47,118,003**
2015 General City Account	14,217,093
2014 General City Account	13,434,757
Net Difference General Account	782,336

Source: City of Compton

EXHIBIT D

TRUST AGREEMENT

TRUST AGREEMENT

by and between

THE CITY OF COMPTON

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of July 1, 2015

Relating to

$_____
City of Compton, California 2015-16 Tax and Revenue Anticipation Notes

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TRUST AGREEMENT

This TRUST AGREEMENT, dated as of July 1, 2015 (the "Trust Agreement"), is by and between the City of Compton (the "City"), a municipal corporation and chartered city of the State of California, and U.S. Bank National Association (the "Trustee"), a national banking association organized and existing under the laws of the United States of America.

BACKGROUND

WHEREAS, the City requires funds for the purposes authorized by Section 53852 of the California Government Code; and

WHEREAS, the City is authorized to borrow money pursuant to Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended, and City Charter (the "City Charter") Section 1403 (collectively, the "Authorizing Law"), for the purposes authorized by California Government Code Section 53852 and the City Charter, respectively, such indebtedness to be represented by a note or notes of the City; and

WHEREAS, the City has duly authorized and provided for the issuance of $_____ in aggregate principal amount of City of Compton 2015-16 Tax and Revenue Anticipation Notes (the " 2015-16 TRANs") pursuant to a resolution adopted by the City Council of the City on July ___, 2015 (the "Resolution") and the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2015-16 Tax and Revenue Anticipation Notes, dated as of July __, 2015 (the "Accompanying Document"), executed by the City Manager of the City (the "City Manager"), approved by the City Attorney and acknowledged by the Trustee and the County of Los Angeles;

WHEREAS, the City has requested that the Trustee perform certain trustee, paying agent and Note Registrar functions in connection with the 2015 -16 TRANs; and

WHEREAS, the Trustee has agreed to serve in such capacities, subject to the terms of this Trust Agreement, the Resolution and the Accompanying Document.

NOW, THEREFORE, WITNESSETH, the City and the Trustee agree as follows:

ARTICLE I

APPOINTMENT AND COMPENSATION OF TRUSTEE

Section 1.01. Appointment. The City hereby appoints the Trustee to act as Trustee, Paying Agent and Note Registrar with respect to the 2015-16 TRANs, and to hold the amounts pledged for payment of the 2015-16 TRANs in trust for the benefit of the Owner of the 2015-16 TRANs as set forth herein and in the Accompanying Document. The Trustee hereby accepts its appointment and agrees to act as Trustee, Paying Agent and Note Registrar to perform the duties set forth in Article III hereof and in the Accompanying Document.

Section 1.02. Compensation. As compensation for the Trustee's services hereunder, the City agrees to pay the Trustee the fees and amounts heretofore agreed to by the City and the Trustee. In addition, the City agrees to reimburse the Trustee for all reasonable expenses, disbursements and advances incurred or made by the Trustee in connection with this Trust Agreement (including the reasonable compensation and the expenses and disbursements of the Trustee's agents and counsel).

ARTICLE II

DEFINITIONS

Section 2.01. Definitions. For purposes of this Trust Agreement, all capitalized terms used and not defined herein shall have the meanings ascribed to them in the Accompanying Document.

ARTICLE III

DUTIES

Section 3.01. Duties as Trustee. Pursuant to the Resolution and the Accompanying Document, the Trustee is hereby directed to establish and maintain the "2015-16 TRANs Repayment Fund". The Trustee is hereby authorized to establish any additional subaccounts therein if deemed necessary to effectuate the purposes of the Resolution, the Accompanying Document and the Direction Letter. The City shall transfer or cause to be transferred to the Trustee and the Trustee is directed hereby to deposit in the 2015-16 TRANs Repayment Fund the County Collected Revenues as set forth under Section 402 of the Accompanying Document and the Direction Letter and any other funds as directed for such deposit by the City Manager. The Trustee is authorized and directed to acknowledge the Direction Letter.

All funds in the 2015-16 TRANs Repayment Fund shall be accounted for separately from the other funds of the Trustee and shall be invested in Permitted Investments in accordance with the Accompanying Document, as may be directed by the City from time to time. In the absence of such direction, the Trustee shall hold moneys uninvested. The Trustee shall keep a written record of all investments and investment earnings (including any investment of earnings) of amounts in the 2015-16 TRANs Repayment Fund, as well as a written record of disbursements from the 2015-16 TRANs Repayment Fund.

The 2015-16 TRANs Repayment Fund shall be used to pay the 2015-16 TRANs and the interest thereon when the same shall become due and payable and may not be used for any other purpose; provided, however, that subsequent to the payment of principal of and interest on the 2015-16 TRANs when due, earnings on amounts in the 2015-16 TRANs Repayment Fund shall be transferred by the Trustee to the City and deposited into the General Fund of the City. Any amounts on deposit in the 2015-16 TRANs Repayment Fund in excess of the amount sufficient to pay all of the 2015-16 TRANs and the interest thereon when due, plus an amount, if any, equal to the rebate amount calculated to be due to the United States Treasury, shall be transferred by the Trustee upon receipt of a Written Direction of an Authorized Officer to any account in the General Fund of the City as the City Manager or any designee may direct in a Written Direction.

Section 3.02. Duties as Paying Agent. The Trustee shall pay on behalf of the City the principal of and interest on the 2015-16 TRANs when due, in accordance with the provisions of the Resolution and the Accompanying Document.

Section 3.03. Duties as Note Registrar. The Trustee shall perform the duties of the Note Registrar as set forth in the Accompanying Document, including maintaining the registration books for the 2015-16 TRANs. The Trustee will effect transfers of registered ownership of the 2015-16 TRANs upon surrender of validly issued Notes to the Trustee accompanied by such instruments of transfer and other documents as Trustee may reasonably require only as permitted in the Accompanying Document.

Section 3.04. Discharge and Cancellation of Notes. The Trustee shall cancel all 2015-16 TRANs surrendered to it for transfer or payment and will dispose of said cancelled 2015-16 TRANs at the written direction of the City.

ARTICLE IV

PROTECTIONS, OBLIGATIONS AND LIABILITIES OF THE TRUSTEE; FIDUCIARY CAPACITY

Section 4.01. Incorporation of Accompanying Document and the Direction Letter. The protections, obligations and liabilities of the Trustee set forth under the Accompanying Document and the Direction Letter are incorporated herein by reference and such provisions shall apply to the Trustee in its various capacities hereunder.

Section 4.02. Money Held by Trustee. All funds at any time and from time to time provided to or held by the Trustee hereunder shall be deemed, construed and considered for all purposes as being provided to or held by the Trustee in trust and as a trustee for the benefit of the Owner. The Trustee acknowledges, covenants and represents that it is acting herein as a trustee in relation to such funds, and is not accepting, holdings, administering or applying such funds as a banking depository, but solely as a trustee for and on behalf of the Owner of the 2015-16 TRANs.

Section 4.03. Liability of Trustee. The Trustee makes no representations as to the validity or sufficiency of the Accompanying Document, this Trust Agreement or of any 2015-16 TRANs or as to the security afforded by the Resolution, this Trust Agreement or the Accompanying Document, and the Trustee shall incur no liability in respect thereof.

Section 4.04. Evidence on Which Trustee May Act.

(a) In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action, or doing or not doing anything, as such Trustee, and in any case in which the Resolution, the Accompanying Document or this Trust Agreement provides for permitting or taking any action, it may rely upon any notice, resolution, request, consent, order, waiver, statement, certificate, report, opinion, bond or other paper or document to be furnished to it under the provisions of the Resolution, the Accompanying Document or this Trust Agreement, and any such instrument shall be evidence of such fact to protect it in any action that it may or may not take, or in respect of anything it may

or may not do, acting reasonably and in good faith, by reason of the supposed existence of such fact.

(b) The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Resolution, the Accompanying Document or this Trust Agreement, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper City Council or person, or to have been prepared and furnished pursuant to any of the provisions of the Resolution, the Accompanying Document or this Trust Agreement or at the sole cost and expense of the City with the prior written consent of the City, and when determined necessary in the reasonable discretion of the Trustee, as the case may be, upon the written opinion of any attorney (who may be an attorney for the City or an employee of the City) believed by the Trustee, to be qualified in relation to the subject matter.

Section 4.05. Indemnification of Trustee.

(a) To the extent permitted by law, the City shall indemnify the Trustee and hold it harmless, from and against any loss, liability or reasonable expense (including the costs and expenses of its counsel and of investigating and defending against any claim of liability) arising out of or in connection with its acting as Trustee under this Trust Agreement; provided, however, that the Trustee shall not be indemnified for or held harmless against any such loss, liability or expense resulting from its negligence, willful misconduct or bad faith. The provision of this Section 4.05 shall remain in full force and effect notwithstanding the resignation or removal of any Trustee or the termination of the Resolution, the Accompanying Document or this Trust Agreement.

(b) Nothing in the Resolution, the Accompanying Document or this Trust Agreement shall require or obligate the Trustee to advance, expend or risk its own funds or otherwise to incur any personal financial liability in the performance or exercise of any of its duties or rights hereunder and the Trustee shall be fully justified and protected in taking or refusing to take any action under the Resolution, the Accompanying Document or this Trust Agreement or the 2015-16 TRANs unless it shall first be indemnified against any and all liability and expense which may be incurred by it by reason of such taking or refusing to take any such action (other than any liability or expense resulting from its negligence, willful misconduct or bad faith). Notwithstanding the foregoing, the Trustee shall not require indemnification prior to the making, when due, of any payment required at the maturity of the 2015-16 TRANs.

Section 4.06. Ownership of the 2015-16 TRANs Permitted. Subject to Section 305 of the Accompanying Document, any Trustee may become the Owner of any 2015-16 TRANs.

Section 4.07. Resignation or Removal of Trustee and Appointment of Successor.

(a) The Trustee may at any time resign and be discharged of the duties and obligations created by this Trust Agreement by giving at least 60 days' prior written notice to the City. Any Trustee may be removed at any time with or without cause by an instrument filed with such Trustee and signed by the City. A successor Trustee may be appointed by the City and

shall be a commercial bank with trust powers or a trust company organized under the laws of any state of the United States or a national banking association, having capital and surplus aggregating at least $100,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution, the Accompanying Document or this Trust Agreement. For purposes of this Section, a commercial bank with trust powers or a trust company shall be deemed to have capital and surplus aggregating at least $100,000,000 if it is a wholly-owned subsidiary of a corporation having capital and surplus aggregating at least $100,000,000 and such corporation provides a written guaranty, in form and substance satisfactory to the City, of the performance by the bank or trust company of its obligations as Trustee hereunder. Such Trustee shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the City a written acceptance thereof. Resignation or removal of a Trustee shall be effective upon appointment and acceptance of a successor Trustee.

(b) In the event of the resignation or removal of a Trustee, such Trustee shall pay over, assign and deliver any moneys held by it to its successor. In no event shall the resignation or removal of the Trustee become effective prior to the assumption of such resigning or removed Trustee's duties and obligations by a successor Trustee.

Section 4.08. Trustee's Right To Exercise Rights & Remedies Under Accompanying Document. Notwithstanding anything to the contrary in the Accompanying Document, the Trustee agrees to exercise any rights and remedies available to the Owner under the Accompanying Document on behalf of the Owner subject to the following:

(a) Written direction of the Owner(s) holding at least 51% of the unpaid par amount of the 2015-16 TRANS (individually and collectively the "Directing Owner" and "Owner Direction"); and

(b) Indemnification of the Trustee to the satisfaction of the Trustee by the Directing Owner on a several (but not joint) basis for the matters to be undertaken set forth in the Owner Direction from and against any reasonable loss, liability or reasonable expense (including the costs and expenses of its counsel and of investigating and defending against any claim of liability) arising out of or in connection with its acting as Trustee under the Owner Direction; provided, however, that the Trustee shall not be indemnified against any such loss, liability or expense resulting from its negligence, willful misconduct or bad faith.

In furtherance of the Trustee's ability to undertake any matters on behalf of the Directing Owner hereunder and under the Accompanying Document and to support any indemnification requested by the Trustee under this Section 4.08, the City agrees that the Trustee is entitled to a lien on any funds held by the Trustee hereunder for the purpose of covering all of the Trustee's fees and expenses (including reasonable attorney's fees) and any source of indemnification payments.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01. Amendment. This Trust Agreement may be amended only by an agreement in writing signed by each of the parties hereto; provided, however, that all amendments must be consistent with the provisions of the Resolution and the Accompanying Document.

Section 5.02. Assignment. This Trust Agreement may be assigned by the Trustee only with the prior written consent of the City.

Section 5.03. Notices. Any request, demand; authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the City or the Trustee, respectively, shall be in writing and shall be hand delivered, sent by electronic-mail, facsimile transmission, by first-class United States mail, postage prepaid or such other readily accessible electronic means (so long as such recipient shall agree to the receipt of information by such means), to the addresses set forth below:

If to the City: City of Compton
205 S. Willowbrook Avenue
Compton, California 90220
Attention: City Manager

If to the Trustee: U.S. Bank National Association
1420 Fifth Avenue, 7th Floor
Seattle, Washington 98101
Attention: Global Corporate Trust Services

Section 5.04. Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 5.05. Successors and Assigns. All covenants and agreements herein by the City shall bind its successors and assigns, whether so expressed or not.

Section 5.06. Severability. In case any provision herein shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 5.07. Benefits of Agreement. Nothing herein, express of implied, shall give to any Person, other that the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 5.08. Entire Agreement. This Trust Agreement, the Resolution and the Accompanying Document constitute the entire agreement between the parties hereto and if any conflict exists between this Trust Agreement, the Resolution and the Accompanying Document, the Resolution and the Accompanying Document shall govern.

Section 5.09. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 5.10. Termination. This Trust Agreement will terminate on the date of final payment of the principal of and interest on the 2015-16 TRANs to the Owner thereof or may be earlier terminated by any party upon 60 days written notice; provided, however, an early termination of this Trust Agreement shall not be effective until (a) a successor Trustee has been appointed by the City and such appointment accepted and (b) notice has been given to the Owner of the 2015-16 TRANs of the appointment of a successor Trustee.

Section 5.11. Governing Law. This Trust Agreement shall be construed in accordance with and governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement as of the day and year first above written.

CITY OF COMPTON

By _____
Johnny Ford, City Manager

ATTESTED:

By: _____
Alita Godwin, City Clerk
City Council of City of Compton

APPROVED AS TO FORM:

By: _____
Craig J. Cornwell, City Attorney

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By_____
Authorized Officer

EXHIBIT E

DIRECTION LETTER

IRREVOCABLE/UNCONDITIONAL DIRECTION LETTER

July ___, 2015

City of Compton
205 S. Willowbrook Avenue
Compton, California 90220
Attention: City Treasurer

County of Los Angeles
500 West Temple Street, Room 525
Kenneth Hahn Hall of Administration
Los Angeles, California 90012
Attention: Department of the Auditor-Controller

U. S. Bank National Association
1420 5th Avenue, 7th Floor, PD-WA-T7CT
Seattle, WA 98101
Attention: Carolyn Morrison

Re: $_____ City of Compton, California 2015-16 Tax and Revenue Anticipation Notes

Ladies and Gentlemen:

This Direction Letter constitutes an irrevocable and unconditional agreement **("Direction Agreement")** between the County of Los Angeles (the **"County")** acting by and through the Auditor-Controller of the County (the **"Auditor-Controller"),** the City of Compton (the **"City"),** and U.S. Bank National Association, as Trustee (the **"Trustee")** for the City's 2015-16 Tax and Revenue Anticipation Notes (the **"Notes")** regarding the direct payment to the Trustee of the County Collected Revenues otherwise payable to the City as security and payment source for the Notes. The City has executed and delivered this Direction Agreement pursuant to a resolution adopted by the City Council of the City on July ___, 2015, a copy of which is attached hereto as Exhibit A (the **"Resolution"),** and the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2015-16 Tax and Revenue Anticipation Notes, Series 2015 dated as of July ___, 2015, a copy of which is attached hereto as Exhibit B (the **"Accompanying Document"),** executed by the City Manager of the City (the **"City Manager"),** and the Trust Agreement dated as of July 1, 2015, by and between the City and the Trustee **("Trust Agreement").** All capitalized terms used in this Direction Agreement but not otherwise defined herein shall have the meanings set forth in the attached Accompanying Document.

Pursuant to Section 402 of the Accompanying Document, the City Manager has caused to be established by the Trustee the 2015-16 TRANs Repayment Fund under the Trust Agreement. Effective as of the date of this Direction Agreement, the City hereby unconditionally and irrevocably directs the Auditor-Controller to promptly allocate and pay in good funds (by wire, or ACH transfer) to the Trustee on a monthly basis, 100% of the County Collected Revenues (as defined in the Accompanying Document) until such time as the total amounts deposited and held in the 2015-16 TRANs Repayment Fund, from any source, equal the Repayment Amount as set forth in Section 403 of the Accompanying Document. Such monthly transfers shall be made pursuant to the wire or ACH transfer instructions set forth in Exhibit C hereto. The City represents and warrants to the County and the Trustee that the County

Collected Revenues are unrestricted and unassigned revenues of the City in all respects. The Trustee agrees to deposit all such County Collected Revenues in the 2015-16 TRANs Repayment Fund held by the Trustee for subsequent application per the terms of the Trust Agreement and this Direction Agreement. The County, through its Auditor-Controller, irrevocably and unconditionally agrees to transfer 100% of the County Collected Revenues allocable to the City to the Trustee as provided for in this Direction Agreement, without delay, deduction, set-off or abatement for any reason except as provided herein. Such wire or ACH transfers by the County, through its Auditor-Controller, of the County Collected Revenues shall take place each month on the date that is no later than one (1) business day after the County apportions such County Collected Revenues to all local taxing agencies, including the City. The parties agree to strictly comply with the terms of this Direction Agreement notwithstanding any judicial proceedings (including any proceedings under the U.S. Bankruptcy Code) by or against any party, and for purposes of the U.S. Bankruptcy Code, the parties agree that this Direction Agreement does not constitute an executory contract, and that the City agrees that the County Collected Revenues constitute "special revenues" to the maximum extent possible under Section 922 of the US Bankruptcy Code. Furthermore, the City shall not take any actions to thwart or impair the County or the Trustee from undertaking their obligations hereunder in any judicial proceedings or otherwise (including the Trustee taking any actions to lift any automatic stay), and any such attempted actions by the City will be deemed taken in bad faith. The City hereby directs the County acting through its Auditor-Controller to promptly provide the Trustee with any information needed to verify the amount of County Collected Revenues which the City is entitled to receive hereunder.

The terms of this Direction Agreement shall be irrevocable and shall not terminate until (1) the amounts in the 2015-16 TRANs Repayment Fund certified in writing by the Trustee to the City and the County to its Auditor-Controller, from any source, shall equal approximately $_____, and (2) the County acting through its Auditor-Controller shall have received a subsequent Written Direction from the City and the Trustee stating that the Auditor-Controller shall henceforth transfer directly to the City and not to the Trustee any further County Collected Revenues.

The City shall hold the County and the Auditor-Controller harmless for depositing the County Collected Revenues as set forth in Section 402 of the Accompanying Document and transferring such County Collected Revenues to the Trustee for deposit in the 2015-16 TRANs Repayment Fund held by the Trustee. Nothing in this Direction Agreement, the Notes, the Resolution, or the Accompanying Document is intended to confer standing upon Trustee to challenge the Auditor-Controller's computations of County Collected Revenues.

IN WITNESS WHEREOF, I have set my hand onto this Direction Agreement on this ___ day of July, 2015.

CITY OF COMPTON

By: _____

APPROVED AS TO FORM:
CRAIG J. CORNWELL, City Attorney:
By: _____
Craig J. Cornwell
City Attorney

ACKNOWLEDGED AND AGREED TO BY:
U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____

Name: _____

Title: _____

Date: _____

COUNTY OF LOS ANGELES, Acting Through Its Auditor-Controller

Name: _____

Title:_____

Date:_____

By: _____
Auditor-Controller

(Signature page of the City of Compton, California 2015-16 TRANs Direction Letter)

EXHIBIT A

COPY OF THE RESOLUTION

#21.

EXHIBIT B

COPY OF THE ACCOMPANYING DOCUMENT

EXHIBIT C

ACH WIRING INSTRUCTION

EXHIBIT F

POST ISSUANCE COMPLIANCE PROCEDURES

#21.

City of Compton, California

POST ISSUANCE COMPLIANCE PROCEDURES

containing

Procedures for Tax-Exempt Obligations

Special Tax Counsel:

Butler Snow LLP
Atlanta, Georgia

Approved July 28, 2015

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ATTACHMENT I – FORM OF ANNUAL COMPLIANCE CHECKLIST

Procedures for Tax-Exempt Obligations

Section 1 – Purpose

It is the policy of the City of Compton, California (the "**Issuer**") to comply with federal tax law applicable to its outstanding tax-exempt debt obligations (the "**Tax-Exempt Debt**") to ensure that interest paid on such Tax-Exempt Debt remains exempt from federal income tax. Federal tax law requires compliance with numerous rules and regulations, including but not limited to filing requirements, yield restriction limitations, arbitrage rebate requirements, use of proceeds and financed project limitations, remedial action requirements and recordkeeping requirements. Given the increasing complexity of the federal tax law, the Issuer hereby formally adopts the following policies and procedures concerning its Tax-Exempt Debt (the "**TE Policies and Procedures**"). These TE Policies and Procedures are intended to serve as a guide for the Issuer to facilitate compliance with federal tax law applicable to its Tax-Exempt Debt.

In the event these TE Policies and Procedures conflict, in whole or in part, with the federal tax agreement or federal tax certificate executed by the Issuer in connection with the issuance of its Tax-Exempt Debt (the "**Tax Certificate**"), the terms of the applicable Tax Certificate will control.

Section 2 – Compliance Officer Designation

The Controller of the Issuer, currently Stephen Ajobiewe, is hereby designated as the Issuer's compliance officer (the "**Compliance Officer**"). Except as otherwise described herein, the Issuer's Compliance Officer will have primary responsibility for the Issuer's compliance with federal tax law in order that the interest on the Issuer's Tax-Exempt Debt is, and remains, exempt from federal income tax. The Issuer may appoint a new Compliance Officer from time to time as needed. Also, the Compliance Officer may delegate duties herein as deemed necessary. For conduit issues, the Compliance Officer may delegate a portion of its duties herein to the conduit borrower, as reasonably deemed prudent.

The Compliance Officer will at all times be aware of the Issuer's obligations set forth in these TE Policies and Procedures, including the Issuer's ongoing recordkeeping and compliance responsibilities associated with its Tax-Exempt Debt. The Compliance Officer will at all times be familiar with these TE Policies and Procedures and will be authorized to consult with third-party professionals (*e.g.*, legal counsel, bond counsel and arbitrage calculating agents), as necessary, to ensure compliance with these TE Policies and Procedures. In addition, the Compliance Officer will be familiar with the following publication of the Internal Revenue Service ("**IRS**"): IRS Publication 4079 "Tax-Exempt Governmental Bond Compliance Guide." The Compliance Officer will also be familiar with the IRS's website at www.irs.gov/Tax-Exempt-Bonds and aware that such website contains information, forms and publications pertaining to tax-exempt bonds.

Section 3 – Closing of Tax-Exempt Debt Issues

I. Tax Certificates. The Tax Certificate (which is generally prepared by bond counsel and signed by the Issuer and conduit borrower, as applicable) will serve as the operative document for purposes of establishing reasonable expectations of the Issuer as of the date of the issuance of the Issuer's Tax-Exempt Debt. Each Tax Certificate will provide a summary of the federal tax rules applicable to each Tax-Exempt Debt issuance. Prior to each issuance, the Compliance Officer will review each Tax Certificate to confirm that the expectations set forth in the Tax Certificate are reasonable and accurate and to become familiar with the requirements set forth therein. For conduit issues, the Compliance Officer may rely upon the representations of the conduit borrower set forth in the Tax Certificate.

II. Internal Revenue Service Forms 8038, 8038-G, 8038-GC – Tax-Exempt Bonds. Bond Counsel, with assistance from the Issuer and other professionals associated with the financing, will prepare an IRS Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, or Form 8038-GC, Informatory Return for Small Tax-Exempt Governmental Bond Issuer, Loans, and Installment Sales, (collectively "**8038 Form**") as applicable, in connection with each Tax-Exempt Debt issued by the Issuer, which the Compliance Officer or its designee will review prior to closing. An 8038 Form will be filed with the Internal Revenue Service no later than the 15th day after the 2nd calendar month after the close of the calendar quarter in which the particular Tax–Exempt Debt is issued. All 8038 Forms will be filed by bond counsel, on behalf of the Issuer, with the IRS.

III. Late Filing of Information Returns. If the Compliance Officer determines an 8038 Form was not timely filed, the Compliance Officer will coordinate with bond counsel to file the relevant 8038 Form. The Compliance Officer will be familiar with the late filing procedures applicable to 8038 Forms as currently outlined in Revenue Procedure 2002-48, 2002-37 I.R.B. 531. These procedures generally require that the Issuer: 1) attach a letter to the 8038 Form briefly explaining when the return was required to be filed, why the return was not timely filed, and whether or not the bond issue is under examination; 2) enter on top of the return "Request for Relief under section 3 of Revenue Procedure 2002-48;" and 3) file the letter and the return with the IRS at the applicable IRS address.

IV. Volume Cap Limit. The volume cap limit for certain qualified private activity bonds, as set forth in section 146 of the Code, limits the amount of Tax-Exempt Debt that can be issued to finance a particular qualified purpose during a calendar year. If, during a given year, the Issuer issues qualified private activity bonds in excess of its applicable volume cap limit, the tax-exempt status of those bonds is jeopardized. To the extent the Issuer issues Tax-Exempt Debt requiring a volume cap allocation, the Compliance Officer will monitor the Issuer's volume cap allocations in order to properly file information returns and make carryforward elections.

Most qualified private activity bonds require volume cap allocations. Some refundings of private activity bonds will require volume cap allocations. Governmental bonds and 501(c)(3) bonds generally do not require a volume cap allocation, however, certain governmental bonds and 501(c)(3) bonds may require volume cap in limited circumstances. The Compliance Officer

will require that bond counsel determine whether volume cap is needed in connection with the issuance of its Tax-Exempt Debt.

V. Carryforward of Unused Volume Cap. The Issuer may elect to carry any unused volume cap of a calendar year forward for three years. This election can be made for each of the carryforward purposes described in section 146 of the Code. This election is made by filing IRS Form 8328, *Carryforward Election of Unused Private Activity Bond Volume Cap* ("**Form 8328**") by the earlier of February 15th following the year in which the unused amount arises or the date of issue of any bonds pursuant to the carryforward election. If the Issuer determines that volume cap needs to be carried forward into the next year, the Compliance Officer will ensure that the appropriate IRS Form 8328, Carryforward Election of Unused Private Activity Bond Volume Cap is timely filed with the IRS. Once Form 8328 is filed, the Issuer may not revoke the carryforward election or amend the carryforward amounts shown on the form. The Compliance Officer will be familiar with Revenue Procedure 2005-30 in the event the Issuer fails to timely file its Form 8328.

VI. Public Approval Requirement. Generally, prior to issuance, qualified private activity bonds (including qualified 501(c)(3) bonds) must be approved by an applicable *elected* representative for the governmental entity issuing the qualified private activity bonds and, in some cases, for each governmental entity having jurisdiction over the area in which a financed facility is to be located, after a public hearing with 14 days published notice. Governmental bonds are not subject to this public approval requirement. The Issuer will ensure that the public approval requirements applicable to its Tax-Exempt Debt are satisfied. The Compliance Officer will cause bond counsel to comply with the public approval requirements applicable to its Tax-Exempt Debt issues.

VII. Limitations Relating to Fees Charged by the Conduit Issuer. For conduit bond issues, the Issuer may charge fees payable either out of the bond proceeds or directly by the conduit borrower with its own funds. Such fees may be used by the Issuer to offset all or a portion of the costs payable by the Issuer related to its role as a conduit issuer and may also be used to raise funds for governmental purposes of the Issuer. Such fees may increase the effective yield of the conduit loan when viewed by the Issuer as a purpose investment. Section 148 of the Code generally limits the yield on purpose investments to the yield on the bonds plus a spread. This limitation effectively limits the size of the fees that may be charged by the Issuer regardless of whether paid periodically or up front. For each conduit loan made by the Issuer to a conduit borrower with proceeds of the Issuer's Tax-Exempt Debt, the Compliance Officer will coordinate with bond counsel to ensure that the yield on the conduit loan does not exceed the yield on the Tax-Exempt Debt by more than the permitted spread.

VIII. Certification Regarding Expectations for Use and Investment of Proceeds. The Treasury regulations generally require the Issuer to make a certification regarding its expectations for each issue of its Tax-Exempt Debt. Section 1.148-2(b)(2)(i) requires an officer of the Issuer to certify that the Issuer's expectations are reasonable as of the issue date of its Tax-Exempt Debt. For each issue of Tax-Exempt Debt, the Compliance Officer will review the Tax Certificate to make sure that the certification requirements described herein are satisfied.

IX. Reimbursement Declarations of Official Intent. Under section 1.150-2 of the Treasury regulations, the Issuer (or the conduit borrower for conduit issues) is permitted to use proceeds of Tax-Exempt Debt to reimburse certain expenditures paid before the date of issuance of the Tax-Exempt Debt (subject to certain requirements). One requirement is that the Issuer (or conduit borrower) must adopt a declaration of official intent to reimburse expenditures not later than 60 days after the reimbursed expenditure is paid. If proceeds of the Tax-Exempt Debt will be used for reimbursement purposes, the Compliance Officer will coordinate with the Issuer and Issuer's counsel in order that such declaration of official intent is adopted on a timely basis.

X. Qualified Hedge. If the Issuer enters into a qualified hedge (*i.e.* swap transaction) pursuant to Section 1.148-4(h) of the Treasury Regulations in connection with its Tax-Exempt Debt, the Compliance Officer will immediately inform Issuer's counsel to ensure compliance with the Treasury Regulations required for integration of the qualified hedge (to the extent integration is desired by the Issuer).

Section 4 – Use of Debt Proceeds – Tax-Exempt Bonds

I. Private Business Use. The Issuer will not knowingly take or permit to be taken any action that would cause any of its outstanding Tax-Exempt Debt to become taxable "private activity bonds," as described below. Generally, an issue of Tax-Exempt Debt will be considered a taxable "private activity bond" if more than a certain amount (5% for qualified private activity bonds, including 501(c)(3) bonds, or 10% for governmental bonds) of the proceeds are used directly or indirectly in any trade or business carried on by a private business user and more than a certain amount (5% for qualified private activity bonds, including 501(c)(3) bonds, or 10% for governmental bonds) of the debt service is directly or indirectly (1) secured by any interest in property used or to be used in any trade or business carried on by a private business user, or (2) derived from payments made in respect of property used or to be used in any trade or business carried on by a private business user.

The Compliance Officer will annually review the "use" of its facilities financed with its outstanding Tax-Exempt Debt for compliance with the applicable use restrictions imposed on tax-exempt financed facilities, as set forth in the Tax Certificate. Prior to entering into certain arrangements that could give rise to an impermissible amount of private business use, the Compliance Officer will consult with counsel to the Issuer before entering into such arrangements that include, but are not limited to, management contracts, operating agreements, licenses, leases, subleases, naming rights agreements, research agreements, cellular tower or solar panel placement agreements, clinical trial agreements and joint venture or partnership arrangements.

In the event the Compliance Officer determines the Issuer has entered into an arrangement involving any of its facilities financed with Tax-Exempt Debt that may give rise to an impermissible amount of private business use, the Compliance Officer will consult with counsel to the Issuer to determine whether such arrangement impacts the tax-exempt status of the Tax-Exempt Debt.

II. Private Loans. The Issuer's Tax-Exempt Debt will be considered taxable "private loan bonds" if more than 5% of the proceeds of the Tax-Exempt Debt is used, directly or

indirectly, to make or finance loans to private persons. The Issuer will not take or permit to be taken any action that would cause any of its Tax-Exempt Debt to be considered taxable "private loan bonds." The Issuer will not loan the proceeds of its Tax-Exempt Debt to any third party without first consulting with Issuer's counsel. The Compliance Officer will consult with counsel to the Issuer prior to any such loans being made by the Issuer.

III. Sale of Tax-Exempt Debt-Financed Property. Prior to selling or otherwise disposing of any facilities financed with outstanding Tax-Exempt Debt, the Compliance Officer will consult with Issuer's counsel to determine what impact, if any, such sale or other disposition would have on the tax-exempt status of the outstanding Tax-Exempt Debt.

IV. Remedial Actions. The Compliance Officer will be aware of the remedial action rules contained in Section 1.141-12 of the Treasury Regulations providing, in certain circumstances, a mechanism to voluntarily remediate violations of the private business tests or private loan financing test. Although the Issuer intends that none of its Tax-Exempt Debt will require the application of the remedial action rules, prior to taking any action that would cause its outstanding Tax-Exempt Debt to, absent a remedial action, violate the private business use tests or private loan financing test, the Compliance Officer will consult with counsel to the Issuer regarding the applicability of the remedial action rules to such action and the ability to remediate the impacted Tax-Exempt Debt.

Section 5 – Arbitrage Limitations Imposed on Debt Issuances

I. Hiring an Arbitrage Calculating Agent. With regard to each of the Issuer's outstanding Tax-Exempt Debt borrowings, the Compliance Officer, on behalf of the Issuer, will retain an arbitrage calculating agent to (a) determine whether the Tax-Exempt Debt in question qualifies for an exception to the arbitrage rebate rules and (b) perform calculations to ascertain whether an arbitrage rebate payment or yield reduction payment is owed to the IRS, unless, in the judgment of the Compliance Officer and in compliance with these TE Policies and Procedures and the Tax Certificate, there is no reasonable prospect of any arbitrage rebate or yield reduction payment liability. The Compliance Officer will coordinate the timely hiring of an arbitrage calculating agent as required by these TE Policies and Procedures. For conduit bond issues, the Issuer may require the conduit borrower to retain an arbitrage calculating agent to comply with the requirements described in this Section 5. However, the Compliance Officer will be aware that the IRS requires that the Issuer file the Form 8038-T if needed, not the conduit borrower.

II. Payment of Arbitrage Rebate and Yield Reduction Liability. The arbitrage calculating agent retained by the Issuer (or conduit borrower as the case may be) will determine whether an arbitrage rebate payment or yield reduction payment is owed to the IRS. If payment is owed to the IRS, the Issuer will instruct the arbitrage calculating agent to prepare IRS Form, 8038-T, Arbitrage Rebate Yield Reduction and Penalty Payment in Lieu of Arbitrage Rebate ("**Form 8038-T**"). The Compliance Officer or arbitrage calculating agent will obtain the Issuer's signature and remit the Form 8038-T, with the required payment, to the IRS on behalf of the Issuer.

The Compliance Officer will consult with the Issuer's arbitrage calculating agent (or conduit's borrower's arbitrage calculating agent as the case may be) within 30 days of the issue date of its Tax-Exempt Debt as to the required "installment computation dates" for purposes of calculating arbitrage rebate and yield reduction liability. As background, for these purposes, within 60 days after each installment computation date, the Issuer must cause to be paid to the IRS at least 90% of the amount of arbitrage rebate and yield reduction payment liability owed. In addition, within 60 days after the final installment computation date, the Issuer must cause to be paid to the IRS 100% of the amount of arbitrage rebate and yield reduction payment liability owed. For conduit bond issues, the Tax Certificate will require the Borrower to remit these payments for filing with the Form 8038-T. Each completed Form 8038-T, together with full payment in the amount equal to the arbitrage rebate or yield reduction payment liability calculated by the arbitrage calculating agent, must be filed with the IRS at the applicable address which is currently, Internal Revenue Service Center, Ogden, UT 84201.

III. Yield Restriction Limitations. For each Tax-Exempt Debt issue, the Issuer will comply with the applicable yield restriction investment limitations and temporary periods with regard to its outstanding Tax-Exempt Debt, as described in the related Tax Certificate. The Compliance Officer will monitor the Issuer's compliance with these applicable yield restriction limitations.

IV. Timely Expenditure of Proceeds of the Issuer's Tax-Exempt Debt. The IRS generally requires that Issuers of Tax-Exempt Debt (or conduit borrowers for conduit bond issues) reasonably expect to spend 85% of the proceeds of such tax-exempt bonds within three years. Accordingly, it is the Issuer's policy to utilize (or require conduit borrowers for conduit bond issues to utilize) tax-exempt financing for projects that it reasonably expects will be substantially completed with three years, unless otherwise approved by its counsel. Upon receipt of proceeds from Tax-Exempt Debt borrowings, the Compliance Officer will monitor the expenditure of such proceeds on a regular basis to be determined by the Compliance Officer, but the in no event less than each quarter of each calendar year. During its routine review, if the Compliance Officer determines that a portion of such proceeds will not be fully expended within three years of the issue date of the Tax-Exempt Debt, the Compliance Officer will determine how quickly such amounts can be spent, and if needed, contact counsel to the Issuer to determine whether remedial action as described above (or some other form of action) will be needed.

V. Advance Refunding Policies.

A. It is the policy of the Issuer to retain a third-party verification agent for each of its advance refunding Tax-Exempt Debt issues. The verification agent will verify the arbitrage yield on the Tax-Exempt Debt, the arbitrage yield on the investments acquired as part of the refunding escrow established using gross proceeds of the tax-exempt debt issuance, and the sufficiency of the refunding escrow.

B. The Issuer will deposit the Tax-Exempt Debt proceeds (and any other amounts) to be used to advance refund prior Issuer debt into one or more separate escrow trust accounts established with the trustee selected for the transaction. Working with the bond counsel, and in accordance with the documentation prepared for the refunding transaction, the primary responsibility for initiating actions required to be taken with

respect to the refunding escrow (including the reinvestment of amounts within the escrow and disbursing funds from the escrow) will be imposed on the trustee. In the event of an omission on the part of the trustee, an error in the documentation or procedures establishing the refunding escrow, or an investment to be acquired as part of the refunding escrow is not available for purchase, the Compliance Officer will timely consult with bond counsel, as applicable, to determine the impact, if any, on the tax-exempt status of the Tax-Exempt Debt.

C. When funding deposits to advance refunding escrows using proceeds of Tax-Exempt Debt, it is the Issuer's policy to acquire United States Treasury Securities – State and Local Government Series (SLGS) or securities purchased on the open market in accordance with the terms of the Issuer's bond documents.

D. In the event the Issuer chooses to fund an advance refunding escrow using securities purchased on the open market, the Issuer will retain a third-party investment bidding agent to solicit bids from providers of qualifying securities in accordance with the limitations described in the "3-bid" safe harbors set forth in Treasury Regulations Section 1.148-5(d)(6).

Section 6 – Accounting for Debt Proceeds

I. General. Except as otherwise described below and in the Tax Certificate entered into by the Issuer in connection with its Tax-Exempt Debt, it is the policy of the Issuer to apply a direct tracing method of accounting for and allocating its tax-exempt debt proceeds. However, the Issuer reserves the right to utilize any other reasonable accounting and allocation method allowable under the law.

II. Investment of Proceeds. Proceeds of the Issuer's Tax-Exempt Debt shall be held in a separate funds or accounts, and will be invested in accordance with the permitted investments as determined by the relevant bond documents as authorized by the Tax-Certificate. The Compliance Officer has primary responsibility for ensuring that the proceeds of the Issuer's outstanding Tax-Exempt Debt are, and will remain, invested in accordance with the requirements set forth in the Tax Certificate.

III. Expenditure of Debt Proceeds on Capital Projects

The Issuer shall maintain an active ledger, updated with each payment of an expenditure from proceeds of its Tax-Exempt Debt that for each outstanding issuance shows:

A. The name and date of issue of the Tax-Exempt Debt to which the proceeds relate;

B. The projects financed with the proceeds of the Tax-Exempt Debt;

C. The authorized amount of proceeds to be used to finance each project;

D. The amount of proceeds of the Tax-Exempt Debt used to date to finance each project;

E. The amount of unspent proceeds of the Tax-Exempt Debt to be used to finance each project; and

F. The date on which the proceeds of the Tax-Exempt Debt related to each project were fully expended.

Section 7 – Recordkeeping

I. Means of Maintaining Records. The Issuer may maintain all records required to be held as described in this Section 7 in paper or electronic (e.g., CD, disks, tapes) forms or both. It is the policy of the Issuer to maintain as much of its records electronically as feasible. The Compliance Officer will be responsible for verifying the Issuer's continued compliance with the recordkeeping requirements set forth in this Section 7 with regard to the Issuer's Tax-Exempt Debt.

II. Retention Period. The Issuer will maintain, or cause to be maintained, all records relating to the tax-exempt status of its Tax-Exempt Debt and the representations, certifications and covenants set forth in its respective Tax Certificates until the date that is four years after the last outstanding obligation of the issue to which such records and Tax Certificate relate has been retired.

III. Required Records.

The Issuer will maintain detailed records with respect to the following:

A. Transcript of Proceedings for the Issuer's Tax-Exempt Debt.

B. Documentation evidencing the expenditure of proceeds of the Issuer's Tax-Exempt Debt.

C. Documentation evidencing any private business use of facilities financed with proceeds of the Issuer's Tax-Exempt Debt.

D. Documentation evidencing all sources of payment or security for the Issuer's Tax-Exempt Debt.

E. Documentation pertaining to any investment of proceeds of the Issuer's Tax-Exempt Debt, including documentation pertaining to broker's fees paid (if at all) or other administrative costs with respect to such investments.

F. Documentation pertaining to the public approval/TEFRA process.

G. Records of arbitrage rebate payment and yield reduction payment calculations performed by the arbitrage calculating agent (irrespective of whether any amount was determined to be owed to the IRS), as well as records related to any arbitrage rebate payments or yield reduction payments made to the IRS, including the calculations performed by the arbitrage calculating agent substantiating such payments, together with Form 8038-T, that accompanied all such payments.

H. Documentation authorizing the reimbursement of expenditures using proceeds of the Issuer's Tax-Exempt Debt.

I. Appraisals, demand surveys and feasibility studies related to projects financed or refinanced with the Issuer's Tax-Exempt Debt.

J. Documentation relating to any third-party funding for projects to which proceeds of the Issuer's Tax-Exempt Debt will be applied (including government grants).

K. Records of any IRS audits or compliance checks, or any other IRS inquiry related to the Issuer's Tax-Exempt Debt.

Section 8 – Voluntary Closing Agreement Program

The Compliance Officer will be aware of the IRS's Tax-Exempt Bond Voluntary Closing Agreement Program ("**VCAP**") and its ability, pursuant to IRS Notice 2008-31, 2008-11 I.R.B. 592 (or a successor notice as the case may be), to request a voluntary closing agreement with the IRS to resolve compliance violations on the part of the Issuer with the federal tax rules applicable to its outstanding Tax-Exempt Debt. A copy of IRS Notice 2008-31 is available on the IRS's website at www.irs.gov.

Section 9 – Continuing Education

The Compliance Officer will consult with counsel to the Issuer regarding the federal tax rules applicable to the Issuer's outstanding Tax-Exempt Debt and any changes to the federal tax law. The Issuer will update these policies and procedures as needed to reflect any such changes. The Issuer will encourage its Compliance Officer to attend continuing education events and conferences, as needed, pertaining to tax-exempt municipal bonds.

Section 10 – Miscellaneous

The Issuer reserves the right to amend or withdraw these TE Policies and Procedures at any time and from time to time to reflect changes in federal tax laws or other applicable laws concerning its outstanding Tax-Exempt Debt. The Compliance Officer will consult with counsel to the Issuer as it deems necessary to ensure the applicable federal tax law requirements are satisfied. These TE Policies and Procedures do not, and are not intended to, limit the actions of the Issuer solely to those federal tax matters listed above, but are intended to provide the Issuer with broad discretion and general guidelines in addressing any and all federal tax matters that may affect its outstanding Tax-Exempt Debt.

Section 11 – Consultation with Counsel

Should the Issuer, including the Compliance Officer, have further questions regarding these TE Policies and Procedures or any other questions concerning the Issuer's Tax-Exempt Debt, please contact Blake Sharpton at (478) 238-1360.

Special Tax Counsel: Butler Snow LLP

FORM OF ANNUAL COMPLIANCE REPORT & CHECKLIST

$_____
THE CITY OF COMPTON, CALIFORNIA
[NAME OF BONDS, SERIES 20__

The Compliance Officer / Responsible Party shall complete this Annual Compliance Report and Checklist (the "**Annual Checklist**") for each of the City's outstanding tax-exempt bonds on an annual basis, within 60 days of the close of the applicable bond year, which should be set forth in the Tax Certificate and for each of the City's Continuing Disclosure Undertakings. The tax-exempt bonds identified below shall hereinafter be referred to as the "**Bonds**." The project(s) financed or refinanced with proceeds of the Bonds shall hereinafter be referred to as the "**Project**." The Bond Year covered by this Annual Checklist shall hereinafter be referred to as the "**Annual Period**."

If the Compliance Officer identifies any compliance deficiencies in this Annual Checklist, the Compliance Officer should immediately contact Bond Counsel, as identified in the City's Post Issuance Policies and Procedures and take the actions required in the Tax Certificate or the City's Post Issuance Policies and Procedures.

If the Compliance Officer has any questions pertaining to completion of this Annual Checklist, please contact Blake Sharpton at 478-238-1360.

TAX LAW REQUIREMENTS

1. GENERAL QUESTIONS

Bond Caption: _____
Date of Issuance of Bonds: _____
Applicable Annual Period: _____
Date of Annual Checklist: _____
Name of Compliance Officer: _____
Description of Project: _____

2. PROJECT OWNERSHIP

Has the Project been continuously owned by the City during the Annual Period: _____

If ownership of the Project has changed during the Annual Period, has the Compliance Officer notified Bond Counsel: _____

3. PROJECT COMPLETION & EXPENDITURE OF PROCEEDS OF BONDS (FOR NEW MONEY PROJECTS)

Amount of proceeds of Bonds originally allocated to construct the Project: _____

Have all such proceeds (including interest earned thereon) been spent: _____

If not, does the City expect such amounts will be expended in accordance with its expectations set forth in the Tax Certificate: _____

If all such proceeds have not been spent, has more than three years elapsed since the Date of Issuance of Bonds: _____

Has the Project been completed and placed in service: _____

If Project has been completed and placed in service, has the City completed a "Final Allocation" of Bond proceeds: _____

If Project completed, do any proceeds of the Bonds allocated to construct the Project remain unspent: _____

If Proceeds of the Bonds allocated to the Project remain unspent after three years following Issuance of Bonds, has the City notified Bond Counsel: _____

4. USE OF PROJECT

During the Annual Period, has any portion of the Project been managed by another entity: _____

If so, has the arrangement been determined to be compliant with Revenue Procedure 97-13: _____

During the Annual Period, has any portion of the Project been leased to another entity: _____

If so, has the arrangement been determined to be compliant with Revenue Procedure 97-13: _____

During the Annual Period, has any portion of the Project been used for research by another entity: _____

If so, has the arrangement been determined to be compliant with Revenue Procedure 97-14: _____

During the Annual Period, has the City entered into any agreements with respect to the Project that could result in private business use (such as naming rights agreements, cell tower or wind generation agreements, or other types of arrangements) : _____

If the City intends to use the Project in a manner that may jeopardize the tax-exempt status of the Bonds, has the City notified Bond Counsel: _____

5. ARBITRAGE AND REBATE

Have all rebate and yield reduction calculations mandated in the Tax Certificate been prepared: _____

If a rebate and yield calculation was prepared during the Annual Period, has the City retained a copy of the rebate calculation: _____

6. RECORD KEEPING

Has the City maintained all records as required by the Tax Certificate and the TE Policies and Procedures: _____

7. CORRESPONDENCE WITH INTERNAL REVENUE SERVICE

During the Annual Period, has the City received any correspondence from the IRS pertaining to the Bonds: _____

If yes, please describe: _____

If yes, has the City Notified Bond Counsel: _____

8. QUALIFIED HEDGE CONTRACTS

During the Annual Period, has the City entered into a new hedge contract: _____

If the City previously integrated a hedge contract with the Bonds, has the City taken action to terminate the hedge contract during the Annual Period: _____

9. MODIFICATIONS TO BOND DOCUMENTS

During the Annual Period, has the City entered into an arrangement that modified the terms of the bond documents: _____

If yes, please describe: _____

10. CONTINUING EDUCATION

During the Annual Period, describe any continuing education events and/or conferences attended by the Compliance Officer: _____

During the Annual Period, has the Compliance Officer consulted with counsel regarding federal tax rules pertaining to the Bonds as needed: _____

11. REMEDIAL ACTION

During the Annual Period, has the Compliance Officer identified a violation that may necessitate the need for the City to take remedial action with regard to the Bonds: _____

If yes, has the City Contacted Bond Counsel: _____

12. VCAP

During the Annual Period, has the Compliance Officer identified a violation that may necessitate utilization of the IRS's Voluntary Closing Agreement Program: _____

If yes, has the City Contacted Bond Counsel: _____

DISCLOSURE REQUIREMENTS

1. Sec Rule 15c2-12 Requirements

During the Annual Period,
has the Responsible Party
filed the annual information required by
the Continuing Disclosure Undertaking(s)? _____

If not, has the Responsible Party
filed a Notice of Failure to File? _____

Has the Responsible Party
filed an Event Notice required
by the Continuing Disclosure Undertaking(s)? _____

2. Underwriter or Purchaser Requirements

During the Annual Period,
has the Responsible Party
filed with a direct purchaser annual information
required by the Bond Purchase Agreement
or other contractual arrangement? _____

A COPY OF THIS ANNUAL CHECKLIST SHOULD BE FILED WITH THE CITY'S RECORDS PERTAINING TO THE ISSUANCE OF THE BONDS.

Special Tax Counsel: Butler Snow LLP

ButlerSnow 26929937v1

JULY 28, 2015

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **CITY ATTORNEY**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING IN KIND CONTRIBUTIONS IN SUPPORT OF THE 12TH ANNUAL COMPTON STAND DOWN FOR VETERANS SEPTEMBER 26-28, 2015**

SUMMARY

This Resolution approves in-kind contributions in support of the 12th Annual Compton Stand Down for Veterans for September 26-28.

BACKGROUND

The name "Stand Down" comes from a term used in time of war. Exhausted combat units requiring time to rest and recover were removed from the battlefields to a place of relative security and safety. Today, "Stand Down" refers to a grassroots, community-based intervention program designed to help the nation's estimated 150,000 homeless veterans "combat" life on the streets.

The 2015 Veteran Stand Down in Compton brings our community into the solution, gives hope to veterans still living on the streets of Southern California, offers them a temporary respite, and provides information and services that can help end their nightmare on the streets.

Services provided include assistance with housing, employment, VA benefits, VA enrollment, VA medical care, VA mental health care, legal assistance, military records assistance, dental care, treatment/counseling, social security assistance, vision screening, food, clothing, hygiene supplies, showers, haircuts and entertainment.

STATEMENT OF THE ISSUE

The Compton Stand Down for Veterans is an event that is held in cities all over the nation to provide food, clothing, services and referrals to homeless veterans. The City of Compton has been asked to support the Stand Down through approving in-kind contributions for support.

The City of Compton agrees to provide the following in kind services:

FACILITY USAGE:

CAREERLINK - 600 N. Alameda Street, Compton, CA. 90220

Blue Room - Workshops
Kitchen
Eating Room
Gold Room
Large Administration Area
Rooms 20, 21, 22, 23, 26 and 27
2 Rooms Near Rear of Building
Office Area Near Rear of Building
Parking Lot

LUEDERS PARK- 1500 East Rosecrans, Compton, CA. 90221

- Swimming Locker Rooms (Mens & Womens)
  (Transportation to be arranged by Veterans Stand Down Committee)

EQUIPMENT USAGE:

- 1 Podium
- 2 Generators
- 10 (Ten) 100 foot Electrical Cords

STAFFING:

- Two Custodians to work two (8) eight hour shifts (6:00 am - 2:00 pm and 1:00 pm - 9:00 pm) at $30.05 per hour equals $961.60 times three days (September 26-28, 2015) for a total of Two Thousand Eight Hundred Eighty-four Dollars and Eighty Cents ($2,884.80).

ALTERNATIVE

Alternatively, City Council can elect not to approve in-kind contributions.

FISCAL IMPACT

There is no fiscal impact except for staffing overtime payment referenced above.

RECOMMENDATIONS

Staff recommends that the City Council adopt the attached Resolution.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING IN KIND CONTRIBUTIONS IN SUPPORT OF THE 12TH ANNUAL COMPTON STAND DOWN FOR VETERANS SEPTEMBER 26-28, 2015

WHEREAS, the Compton Stand Down for Homeless Veterans ("Stand Down") is an event that is held in cities all over the nation to provide food, clothing, medical services and referrals to veterans; and

WHEREAS, the name Stand Down comes from a term used in time of war. Exhausted combat units requiring time to rest and recover were removed from the battlefields to a place of relative security and safety; and

WHEREAS, today, Stand Down refers to a grassroots, community-based intervention program designed to help the nation's estimated 150,000 homeless veterans "combat" life on the streets; and

WHEREAS, the 2015 Veteran Stand Down in Compton brings our community into the solution, gives hope to veterans still living on the streets of Southern California, offers them a temporary respite, and provides information and services that can help end their nightmare on the streets; and

WHEREAS, services provided include assistance with housing, employment, VA benefits, VA enrollment, VA medical care, VA mental health care, legal assistance, military records assistance, dental care, treatment/counseling, social security assistance, vision screening, food, clothing, hygiene supplies, showers, haircuts and entertainment.

WHEREAS, the City of Compton agrees to provide the following in kind services:

FACILITY USAGE:

NEIGHBORHOOD CENTER - 600 N. Alameda Street, Compton, CA. 90220

Blue Room - Workshops
Kitchen
Eating Room
Gold Room
Large Administration Area
Rooms 20, 21, 22, 23, 26 and 27
2 Rooms Near Rear of Building
Office Area Near Rear of Building
Parking Lot

LUEDERS PARK - 1500 East Rosecrans, Compton, CA. 90221

- Swimming Locker Rooms (Men & Women)
  (Transportation to be arranged by Veterans Stand Down Committee)

EQUIPMENT USAGE:

- 1 Podium
- 2 Generators
- 10 (Ten) 100 foot Electrical Cords

STAFFING:

- Two Custodians to work two (8) eight hour shifts (6:00 am - 2:00 pm and 1:00 pm - 9:00 pm) at $30.05 per hour equals $961.60 times three days (September 26-28, 2015) for a total of Two Thousand Eight Hundred Eighty-four Dollars and Eighty Cents ($2,884.80).

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

SECTION 1. The City Council of the City of Compton does hereby approve in-kind contributions referenced above in support of the 2015 Compton Stand Down for Veterans September 26-28, 2015, including September 25, 2015 as a set up day.

SECTION 2. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Attorney, City Clerk and City Controller.

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

SECTION 4. That a certified copy of this resolution shall be filed in the offices of the City Manager, General Services, and City Clerk.

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 of said City, 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

July 28, 2015

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON IN FULL SUPPORT OF THE PROPOSALS BY THE ASSOCIATION FOR LOS ANGELES DEPUTY SHERIFFS (ALADS) TO RESTORE THE COMPETITIVE PAY AND BENEFITS FOR DEPUTY SHERIFF PERSONNEL TO RECRUIT, HIRE, TRAIN AND DEPLOY THE BEST QUALIFIED INDIVIDUALS TO HELP PROVIDE THE HIGHEST PUBLIC SAFETY SERVICES FOR THE RESIDENTS AND BUSINESSES OF THE CITY OF COMPTON**

SUMMARY

Mayor Brown has requested the City Council consider adopting a Resolution in support of the proposals by the Association for Los Angeles Deputy Sheriffs (ALADS) to restore the competitive pay and benefits for Deputy Sheriff personnel to recruit, hire, train and deploy the best qualified individuals to help provide the highest public safety services for the residents and businesses of the City of Compton.

BACKGROUND

The City of Compton deserves and expects the highest quality public safety services to protect the lives and property of its citizens. Future economic development in the City depends on both the perception and the reality of quality public safety services provided by full deployment of the City's highly qualified public safety professionals.

Los Angeles County Sheriff's Department staffing records indicate the agency is short-staffed by approximately 1,800 Deputy Sheriffs below the level authorized and funded by the County Board of Supervisors. Consequently, Deputy Sheriff personnel shortages at contract cities and countywide have frequently and negatively impacted the public safety services provided by the Sheriff's Department.

To address personnel shortages, the Sheriff's Department command staff has started the process of designing mandatory overtime schedules and drafting procedures which would require Deputy Sheriffs to work back-to-back shifts to fulfill staffing requirements. The process of assigning detectives and administrative personnel to work line positions in patrol, court services and custody facilities, also known as CARP (Cadre of Administrative Reserve Personnel) shifts, was intended to cease on July 1, 2015. Recent announcements from the Sheriff's commanders, however, indicate that fulfilling CARP obligations will continue within divisions for the foreseeable future.

#23.

STATEMENT OF ISSUE

The number of vacant Deputy Sheriff positions is unprecedented. The Sheriff's Department has been unable to recruit an adequate number of qualified personnel primarily because Deputy Sheriff's wages and benefits have fallen to the bottom third of comparable agencies.[i] Chronic understaffing will be overcome only when the number of Deputy Sheriffs hired exceeds the number lost due to retirements, lateral transfers and promotions. At the current rate of attrition, the Department managers are gaining Deputy Sheriffs number only slightly.

The recruitment, training and deployment of highly skilled and fully qualified Deputy Sheriff Personnel should be the highest priority for the Los Angeles County Sheriff's Department. Securing the highest caliber of Deputy Sheriff Personnel to work in the City of Compton is dependent on the ability of the Sheriff's Department to attract the best and brightest candidates. A key factor in recruiting highly skilled and fully qualified individuals to become Los Angeles County Deputy Sheriffs requires competitive pay and benefits for Deputy Sheriff Personnel.

This Resolution will increase support and draw attention to the growing crisis of staffing shortages that will certainly impact the Sheriff's Department's ability to deploy sufficient numbers of sworn personnel.

FISCAL IMPACT

There is no fiscal impact to the City of Compton for adopting the attached Resolution.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution in support of the proposals by the Association for Los Angeles Deputy Sheriffs to restore the competitive pay and benefits for Deputy Sheriff personnel to recruit, hire, train and deploy the best qualified individuals to help provide the highest public safety services for the residents and businesses of the City of Compton.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON IN FULL SUPPORT OF THE PROPOSALS BY THE ASSOCIATION FOR LOS ANGELES DEPUTY SHERIFFS (ALADS) TO RESTORE THE COMPETITIVE PAY AND BENEFITS FOR DEPUTY SHERIFF PERSONNEL TO RECRUIT, HIRE, TRAIN AND DEPLOY THE BEST QUALIFIED INDIVIDUALS TO HELP PROVIDE THE HIGHEST PUBLIC SAFETY SERVICES FOR THE RESIDENTS AND BUSINESSES OF THE CITY OF COMPTON

WHEREAS, the City of Compton deserves and expects the highest quality public safety services to protect the lives and property of its citizens; and

WHEREAS, future economic development in the City depends on both the perception and the reality of quality public safety services provided by full deployment of the City's highly qualified public safety professionals; and

WHEREAS, according to the Association for Los Angeles Deputy Sheriffs the Sheriff's Department staffing records indicate the agency is short-staffed by approximately 1,800 Deputy Sheriffs below the level authorized and funded by the County Board of Supervisors; and

WHEREAS, to address personnel shortages, the Sheriff's Department command staff has started the process of designing mandatory overtime schedules and drafting procedures which would require Deputy Sheriffs to work back-to-back shifts to fulfill staffing requirements; and

WHEREAS, according to the Association for Los Angeles Deputy Sheriffs the Sheriff's Department has been unable to recruit an adequate number of qualified personnel primarily because Deputy Sheriff's wages and benefits have fallen to the bottom third of comparable agencies; and

WHEREAS, chronic understaffing will be overcome only when the number of Deputy Sheriffs hired exceeds the number lost due to retirements, lateral transfers and promotions; and

WHEREAS, the recruitment, training and deployment of highly skilled and fully qualified Deputy Sheriff personnel should be the highest priority for the Los Angeles County Sheriff's Department; and

WHEREAS, securing the highest caliber of Deputy Sheriff personnel to work in the City of Compton is dependent on the ability of the Sheriff's Department to attract the best and brightest candidates; and

WHEREAS, a key factor in recruiting highly skilled and fully qualified individuals to become Los Angeles County Deputy Sheriffs requires competitive pay and benefits for Deputy Sheriff personnel; and

WHEREAS, this Resolution will increase support and draw attention to the growing crisis of staffing shortages that will certainly impact the Sheriff's Department's ability to deploy sufficient numbers of sworn personnel.

#23.

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

Section 1. That the City of Compton is in full support of the proposals by the Association for Los Angeles Deputy Sheriffs (ALADS) to restore the competitive pay and benefits for Deputy Sheriff personnel to recruit, hire, train and deploy the best qualified individuals to help provide the highest public safety services for the residents and businesses of the City of Compton.

Section 2. That the City Council encourages its residents and businesses to communicate its support of the proposals by ALADS to restore the competitive pay and benefits for Deputy Sheriff Personnel in order to help provide the highest public safety services available.

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

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 City Treasurer.

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 of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on 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

July 28, 2015

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **CITY ATTORNEY**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE INITIATION OF WORK FOR THE ISSUANCE AND SALE OF BONDS TO REFUND PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS (REFUNDING AND VARIOUS CAPITAL PROJECTS), SERIES 2008, THE REALLOCATION OF MONEYS IN THE 2008 PROJECT FUND THEREOF, THE EXECUTION OF PROFESSIONAL SERVICE CONTRACTS ALL IN CONNECTION WITH THE ISSUANCE OF SUCH REFUNDING BONDS AND FOR OTHER PURPOSES**

SUMMARY

The City Council will consider adopting a Resolution authorizing the initiation of work for the issuance and sale of bonds to refund Public Finance Authority Lease Revenue Bonds, Series 2008, the reallocation of moneys in the 2008 Project Fund thereof, and the execution of professional service contracts all in connection with the issuance of such refunding bonds and for other purposes.

BACKGROUND

The City of Compton, a municipal corporation and Charter city of the State of California, requires funds for the purposes authorized by Section 53852 of the California Government Code. On March 11, 2008, the City Council and the Board of Directors of the Compton Public Finance Authority (the "Authority") adopted two companion resolutions, Resolutions No. 22,536 of the City Council and Resolution No. 24 of the Board of Directors of the Authority, authorizing the issuance of the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects), Series 2008 (the "Lease Revenue Bonds") for the purpose of refinancing all of the outstanding 1997 certificates of participation and for financing various additional projects.

In connection with the Lease Revenue Bonds, on November 8, 2011, the City Council adopted Resolution 23,422 authorizing a change in the definition of the Lease Revenue Bonds "Project" to include, among other things, the use of bond proceeds in the Project Fund for the purpose of paying debt service on the Lease Revenue Bonds.

#24.

Staff Report Re Resolution Authorizing the Initiation of
Work for the Issuance and Sale of Bonds to Refund
Public Finance Authority Lease Revenue Bonds
July 28, 2015

STATEMENT OF ISSUE

The City Council has determined that it is in the best interest of the City to authorize the use of an amount not-to-exceed $4,000,000.00 of the Lease Revenue Bonds 2008 Project Fund for the City of Compton's 2015-2016 fiscal year funding of the principal and interest payment for the Lease Revenue Bonds, when the same becomes due and payable. Additionally, the City has determined it is in the best interest of the City to initiate the refunding of the Lease Revenue Bonds and to engage a financial advisor, bond attorney, special tax attorney, and other professionals to work with the City to effectuate such refunding.

This Resolution will authorize and direct the City Manager, at such time or times as he deems appropriate, to execute and deliver to the Lease Revenue Bonds Trustee, one or more written requests of the City as described in Section 3.02 of the Lease Revenue Bonds Trust Agreement (as defined therein), for the purpose of requisitioning funds for the payment of principal and interest on the Lease Revenue Bonds when the same shall become due and payable during the City of Compton's Fiscal Year 2015-2016, in an amount not-to-exceed $4,000,000.00, subject to and in accordance with the terms and provisions of this Resolution, the Trust Agreement, and the Facility Lease and in order to effectuate the purposes of this Resolution

This Resolution will also authorize the City Manager: i) to execute an agreement with Gonzalez Saggio & Harlan LLP to provide bond and disclosure and services and advice in connection with the refunding of the Lease Revenue Bonds; ii) to execute an agreement with Butler Snow LLP to provide tax advice and tax counsel services in connection with the tax exemption related to the refunding of the Lease Revenue Bonds; and iii) to execute an agreement with Comer Capital to provide financial advice in connection with the tax exemption and issuance of the Lease Revenue Bonds as the City's Independent Registered Municipal Advisor.

FISCAL IMPACT

There is a General Fund savings in an amount not-to-exceed $4,000,000.00 to the City of Compton for adopting the attached Resolution.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution authorizing the initiation of work for the issuance and sale of bonds to refund Public Finance Authority Lease Revenue Bonds, Series 2008, the reallocation of moneys in the 2008 Project Fund thereof, and the execution of professional service contracts all in connection with the issuance of such refunding bonds and for other purposes.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE INITIATION OF WORK FOR THE ISSUANCE AND SALE OF BONDS TO REFUND PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS (REFUNDING AND VARIOUS CAPITAL PROJECTS), SERIES 2008, THE REALLOCATION OF MONEYS IN THE 2008 PROJECT FUND THEREOF, THE EXECUTION OF PROFESSIONAL SERVICE CONTRACTS ALL IN CONNECTION WITH THE ISSUANCE OF SUCH REFUNDING BONDS AND FOR OTHER PURPOSES

WHEREAS, the City of Compton (the "**City**"), a municipal corporation and chartered city of the State of California, requires funds for the purposes authorized by Section 53852 of the California Government Code;

WHEREAS, on March 11, 2008, the City Council and the Board of Directors of the Compton Public Finance Authority (the "Authority") adopted two companion resolutions, Resolutions No. 22,536 of the City Council and Resolution No. 24 of the Board of Directors of the Authority, authorizing the issuance of the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects), Series 2008 (the "Lease Revenue Bonds") for the purpose of (i) refinancing all of the outstanding 1997 certificates of participation and (ii) financing various additional projects;

WHEREAS, in connection with the Lease Revenue Bonds, on November 8, 2011 the City Council adopted Resolution 23,422 authorizing a change in the definition of the Lease Revenue Bonds "Project" to include, among other things, the use of bond proceeds in the Project Fund for the purpose of paying debt service on the Lease Revenue Bonds;

WHEREAS, the City Council has determined that it is in the best interest of the City to authorize the use of an amount not-to-exceed $4,000,000.00 of the Lease Revenue Bonds 2008 Project Fund for the City of Compton's 2015-2016 fiscal year funding of the principal and interest payment for the Lease Revenue Bonds, when the same becomes due and payable;

WHEREAS, the City has determined it is in the best interest of the City to initiate the refunding of the Lease Revenue Bonds and to engage a financial advisor, bond attorney, special tax attorney, and other professionals to work with the City to effectuate such refunding;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON HEREBY RESOLVES AS FOLLOWS:

SECTION 1. That at such time or times as he deems appropriate, the City Manager is hereby authorized and directed to execute and deliver to the Lease Revenue Bonds Trustee, one or more written requests of the City as described in Section 3.02 of the Lease Revenue Bonds Trust Agreement (as defined therein), for the purpose of requisitioning funds for the payment of principal and interest on the Lease Revenue Bonds when the same shall become due and payable during the City of Compton's Fiscal Year 2015-2016, in an amount not-to-exceed $4,000,000.00, subject to and in accordance with the terms and provisions of this Resolution, the Trust Agreement, and the Facility Lease and in order to effectuate the purposes of this Resolution.

SECTION 2. That the City Council has determined it is in the best interest of the City to authorize the City Manager to initiate work for the purpose of refunding the Lease Revenue Bonds, and the City Manager is hereby so authorized;

SECTION 3. That the City Manager is authorized: i) to execute an agreement with Gonzalez Saggio & Harlan LLP to provide bond and disclosure and services and advice in connection with the refunding of the Lease Revenue Bonds; ii) to execute an agreement with Butler Snow LLP to provide tax advice and tax counsel services in connection with the tax exemption related to the refunding of the Lease Revenue Bonds; and iii) to execute an agreement with Comer Capital to provide financial advice in connection with the tax exemption and issuance of the Lease Revenue Bonds as the City's Independent Registered Municipal Advisor.

SECTION 4. That the City Manager, the City Treasurer, the Controller and the City Clerk, and their designees (each, an "**Authorized Officer**"), upon advice of the City Attorney, are hereby authorized and directed, jointly and severally, to do any and all things and to execute, modify and deliver any and all documents, agreements and certificates that they may deem necessary or advisable in order to effect the payment of the Lease Revenue Bonds September 1, 2016 principal and interest payment when it becomes due and payable, utilizing the Lease Revenue Bonds 2008 Project Fund and to execute agreements with professionals regarding the refunding of the Lease Revenue Bonds and otherwise to carry out the purposes of this Resolution.

SECTION 5. That the Authorized Officers and the other officers of the City and their respective authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and to do and perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purposes. The execution of any such documents shall constitute conclusive evidence that the officer or official approved the form and content of the document.

SECTION 6. That copies of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Treasurer and the City Controller.

SECTION 7. 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:

_____
CLERK OF THE CITY OF COMPTON

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

RESOLUTION NO. _____
Page 3

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

JULY 28, 2015

To: **MAYOR AND CITY COUNCIL MEMBERS**

From: **JOHNNY FORD,**
CITY MANAGER

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ASSIGNMENT OF DELINQUENT TAX RECEIVABLES FOR PRIOR FISCAL YEARS TO THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, AND AUTHORIZING EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND ACTIONS**

SUMMARY

Tower Capital is proposing to pay the City of Compton for a portion of delinquent tax and fee revenues due the City over the past five years. This is a non-recourse payment that is not contingent on delinquent taxes being collected at some future date. All of the delinquent taxes not funded by Tower will remain with the City, which will remain entitled to receive those delinquencies plus penalties and interest when and if collected by the County Auditor-Tax Collector.

BACKGROUND

The City of Compton is entitled to revenues from property tax levies made for a variety of purposes:

- The 1% "Ad Valorem" property taxes, which are levied county-wide and allocated to public agencies county-wide in accordance with certain allocation factors and other applicable state laws.
- Special taxes levied for community facilities districts ("CFD"s).
- Assessments levied for assessment districts ("ADs").
- Fees and charges levied for municipal purposes such as weed abatement, nuisance abatement, and sewer or refuse service.

Each year, a small percentage of property owners (usually between 2% and 5% of all properties) fail to pay their property taxes and those taxes thereafter become "delinquent." Each year the County produces a "Delinquent Property Tax Roll" showing all of the delinquent property taxes County-wide. Generally speaking, the fact that some property taxes are delinquent does not impair the City's entitlement to those tax revenues,

along with penalties and interest accrued thereon, if and when the delinquent taxes are eventually collected. One way to view these delinquent taxes is as a "receivable" of the City or money owed the City. As such, it is a City asset, but the City cannot use it unless and until it is collected.

Staff has identified a program being offered by the California Statewide Communities Development Authority (CSCDA). CSCDA is a statewide joint powers authority sponsored by the League of California Cities and the California State Association of Counties. Under this program payment for qualified tax delinquencies will be advanced in full by CSCDA to the City, along with a 10% premium, in exchange for an assignment or sale of the rights to the payments later made by the property owners, if and when such payments are ever made, along with all penalties and interest thereon.

CSCDA finances the program by pooling the tax delinquencies of different local agencies, and selling one or more certificates of participation for the amount of all of the pooled delinquencies to Tower Capital Management. In the first year of an agency's participation, CSCDA will purchase delinquencies that are up to 5 years old, meaning CSCDA will pay the City 100% of the qualified taxes remaining delinquent from any time during the last 5 years, thus allowing the City to immediately realize cash for this otherwise stagnant asset. The City also receives a 10% premium on the purchase delinquencies which can be used in any lawfully available fund, including the General Fund. Although the delinquent amounts are not yet known for the 2014-15 Tax Year, based upon what the delinquencies were last year, staff anticipates the closing amount for 2015 to be in excess of $500,000.00.

CSCDA requires a three-year commitment to sell the delinquencies. If this program is approved by the Council, Tower will conduct due diligence to determine which delinquencies qualify for the program, and on what terms. Thereafter, the results will be reviewed with such qualified officers as the City may desire (usually the City Manager, City Controller, City Treasurer, and/or City Attorney) and set a schedule to proceed to closing, at which point the City receives its money for the sold delinquencies. In each subsequent year, Tower will likely request the City to extend the agreement for one additional year. This way a two to three year "evergreen" term always exists. If the City ever wants to exit the program, it need only decline to extend the term and wait out the completion of the existing term.

STATEMENT OF THE ISSUE

There are a number of benefits to the City to proceeding with this program:

1. The receipt of all qualified delinquencies resulting from special taxes, assessments, and fees and charges made by the City during the last five years for various districts and funds, the proceeds of which should go into the fund for which it was levied, but the premium from which can be placed in the City's General Fund or any other legally available fund.

2. Because the program purchases the delinquencies on a "non-recourse" basis, if properties cannot be sold by the County Tax Collector in a foreclosure action, Tower would have no recourse to the City to make up that difference. The risk of this loss is shifted from the City to Tower. (This is distinguished from mistaken levies, errors on the roll and the like, where there never would have been any revenue to the City in the first place.)

3. For CFDs and ADs where bonds have been issued, there are a number of additional benefits:

a. The traditional enforcement of special taxes and assessments, foreclosure by the City on delinquent properties in order to pay bondholders, is essentially replaced with a funding of the delinquencies until the County Tax Collector is prepared to foreclose on *all* of the taxes together. Under State law, the Tax Collector is not allowed to foreclose until 5 years after the first delinquency. In many CFD and AD bond indentures, the City may be *required* to foreclose well in advance of that 5-year date, depending on the level of delinquencies and the particular foreclosure covenant that is in the applicable Bond Indenture. This program has the effect of "truing up" these redemption periods so the special taxes and assessments will be collected alongside the 1% ad valorem taxes by the Tax Collector, and not otherwise.

b. The City saves the staff time and money required to send notices to property owners, strip delinquent taxes from the tax roll and file, pursue, monitor and complete judicial foreclosure proceedings.

c. Bondholders receive an additional layer of security by knowing that the City participates in the program and delinquent revenues will be realized in the current year without the need to foreclose.

d. Delinquent property taxpayers receive the benefit of no one foreclosing on them in advance of the 5-year redemption period, and not being threatened with foreclosure, and from having to pay City costs and attorney fees related to the foreclosure (which can sometimes dwarf the delinquent tax itself).

e. The property owners who timely paid their assessments and taxes will be assured that the amounts levied against their properties will not be increased, even temporarily, to cover the delinquent amounts.

For these reasons, staff recommends that the City participate in this funding program.

FISCAL IMPACT

The delinquent revenues will be determined in August, after the County produces the delinquent tax roll. Thereafter, Tower will conduct its due diligence in all jurisdictions that have joined the Program by adopting a Resolution as presented herewith. Tower will

then provide the authorized officers of the City hard amounts that will be funded in September or October, 2015.
The attached Resolution approves and authorizes the City to participate in this program, and authorizes the City Manager, to:

- execute the Purchase and Sale Agreement between the City and CSCDA for the transaction

- execute amendments as necessary to each of the fiscal agent agreements (or other agreements) governing the bonds issued on behalf of each CFD or AD

- execute any other documents, and to perform such acts as are necessary or appropriate, to consummate the sale and assignment of the qualified delinquencies to CSCDA.

The Resolution authorizes the sale of receivables for the current fiscal year (including all prior year delinquencies for the prior 5 years on the tax roll) and grants an option to CSCDA to purchase future delinquencies of levies made for the next two fiscal years.

Each of the documents and amendments will be prepared by Jones Hall, acting as special counsel to the Authority, and the consummation of the transaction is contingent upon Jones Hall's approving opinion and opinion to the effect that the amendments to the underlying bond documents will have no adverse effect on bondholders. The City will not be responsible for any costs associated with the transaction, as Tower will pay such costs.

ALTERNATIVE

The Council could choose to forego this opportunity to collect revenues due the City and await the potential collection through Los Angeles County's foreclosure and collection process. The current process of collecting through Los Angeles County guarantees neither collection nor timeliness, as the foreclosure process is a protracted process with no certainty of collection at the end of the process.

RECOMMENDATION

Staff recommends that the Mayor and Council Members adopt the attached resolution.

JOHNNY FORD
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING ASSIGNMENT OF DELINQUENT TAX RECEIVABLES TO THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY FOR PRIOR FISCAL YEARS, AND AUTHORIZING EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND ACTIONS

WHEREAS, under Section 6516.6 of the Government Code of the State of California (the "Law"), a city is authorized to sell and assign to a joint powers authority any or all of its right, title, and interest in and to the enforcement and collection of delinquent and uncollected ad valorem property taxes, special taxes and assessments, and property-related fees and charges that have been levied by or on behalf of such city for collection on the secured, unsecured, or supplemental property tax rolls (collectively, "Delinquent Taxes and Assessments") in accordance with such terms and conditions as are set forth in an agreement with the joint powers authority; and

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is an existing joint powers authority and, as such, is authorized under the Law to issue its bonds, notes, certificates of participation or other obligations for the purpose of providing funds to purchase Delinquent Taxes and Assessments in accordance with the Law upon terms and conditions which are acceptable to the local agency from whom such Delinquent Taxes and Assessments are acquired; and

WHEREAS, the Authority has requested the City to authorize the sale of its Delinquent Taxes and Assessments to the Authority for the fiscal years ending June 30 in each of the years 2010 through 2017 (the "Covered Fiscal Years") at a purchase price equal to 110% of the principal amount of Delinquent Taxes and Assessments which are eligible for sale and assignment; and

WHEREAS, the Authority has made arrangements to issue and sell one or more series of certificates of participation representing a participation interest in all of the Delinquent Taxes and Assessments received from the City and from other participating local agencies, which will be sold to a designee of Tower Capital Management, LLC, a Delaware limited liability company ("Tower Capital"); and

WHEREAS, the City Council wishes at this time to approve the foregoing financing plan and authorize the execution and delivery of all related documents and actions;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Compton as follows:

Section 1. That the City Manager is hereby authorized to enter into an agreement and related documents to approve and authorize the sale of Delinquent Taxes and Assessments, in whole or in part, upon the advice of the City Attorney, for any one or more of the 2010 - 2017 Covered Fiscal Years, to the California Statewide Communities Development Authority for a minimum purchase price of 110% of the amount thereof.

Section 2. That the material terms of each such agreement referenced above shall include the following:

(a) The Delinquent Taxes and Assessments shall be sold to the Authority for a purchase price at least equal to 110% of their par amount, which shall be paid to the City upon the closing of the transaction in funds that are immediately available to the City;

(b) As a result of such sale, the Authority shall be entitled to receive all amounts collected in respect of such Delinquent Taxes and Assessments, including applicable interest and penalties, provided that all such collections shall continue to be made in the manner prescribed by law;

(c) Such sale of Delinquent Taxes and Assessments shall be without recourse to the City, and the City shall not incur any liability or assume any responsibility to the Authority for the collection of the Delinquent Taxes and Assessments;

(d) All costs of financing the purchase of Delinquent Taxes and Assessments by the Authority shall be the sole responsibility of the Authority, and the City shall not have any liability for payment of such costs; and

(e) In order to provide funds for the financing of the Delinquent Taxes and Assessments, the Authority shall be authorized to sell one or more series of certificates of participation to Tower Capital.

(f) That the City Controller shall set up a dedicated bank account and fund account to retain 50% of proceeds received from California Statewide Communities Development Authority.

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

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 City Treasurer.

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 resolutions 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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Controller**

RESOLUTION TITLE: **COUNCIL WARRANTS 7-28-15**

Stephen Ajobiewe **7/15/2015 12:20:23 PM**
DEPARTMENT MANAGER'S SIGNATURE DATE

REVIEW / APPROVAL

Ruth Rugley **7/22/2015 9:59:48 PM**
CITY ATTORNEY DATE

Stephen Ajobiewe **7/16/2015 3:15:09 PM**
CITY CONTROLLER DATE

Kelly Montgomery **7/15/2015 12:44:47 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.

WARRANTS APPROVED BY COUNCIL

Warrant #	Date	Name	Services Provided	Amount	Amount Paid Year to Date
228581	07/08/15	Image Management Systems Inc	Digitization of Planning Records	$30,041.92	$30,498.00
Requested by Building and Safety					
228594	07/08/15	Office Depot	Purchase of Departmental Supplies	$493.63	$28,498.02
228611	07/08/15	Staples Advantage	Purchase of Office Supplies for Senior Center	$1,888.45	$63,367.66
Requested by Parks & Rec. Dept					

I hereby certify that the above demands in the amounts of **$ 32,424** were approved at a regular meeting of the City Council and reject _____ as of July 28, 2015.

_____ Council Member

_____ Council Member

_____ City Manager

I hereby certify that the Finance Committee at a regular meeting of the City Council on July 28, 2015 allowed the above demands.

_____
Alita Godwin
City Clerk

#26.

#26.

Image Management Systems, Inc.
981 WEST ROSECRANS AVENUE
COMPTON, CA 90222-3823
(310) 669-9200

INVOICE

INVOICE	INVOICE DATE
6445	Jun 25, 2015

CUSTOMER ORDER NO.

SOLD TO

COMPTON CITY HALL - PLANNING
PLANNING-COMMUNITY DEV
205 S. WILLOWBROOK AVENUE
COMPTON, CA 90220
USA

SHIP TO

CITY OF COMPTON
PLANNING-COMMUNITY DEV
205 S. WILLOWBROOK AVENUE
COMPTON, CA 90220
USA

	DESCRIPTION	QUANTITY	PRICE	AMOUNT
100	IMAGING	70000	0.10	7,000.00
110	INDEXING	20300	0.08	1,624.00
120	DOCUMENT PREPARATION	70000	0.03	2,100.00
150	PDF CONVERSION/INDEXING	70000	0.05	3,500.00
170	SCANNING DRWNGS/ PICTURES	3000	1.25	3,750.00
180	DRAWING INDEXING	207	0.75	155.25
185	DRAWING PREPARATION	3000	0.25	750.00
190	DRAWING PDF CONVERSION /IDX	3000	0.50	1,500.00

Paid By AN
V# 00398613
P.O. # ED1822
A/C # 101-78-0000-4262
A/C #
(F)

OK TO PAY

REMARKS:

DOCUMENT IMAGES AT YOUR FINGER-TIPS!

Subtotal	$ 20,379.25
Sales Tax	
PAY THIS TOTAL AMOUNT	$ 20,379.25

TERMS:

Image Management Systems, Inc.
981 WEST ROSECRANS AVENUE
COMPTON, CA 90222-3823
(310) 669-9200

INVOICE

INVOICE	INVOICE DATE
6425	Jun 25, 2015

CUSTOMER ORDER NO.
RES. NO 23,836

SOLD TO

COMPTON CITY HALL - BUILDING
BUILDING & SAFETY
205 S. WILLOWBROOK AVENUE
COMPTON, CA 90220
USA

SHIP TO

COMPTON CITY HALL - BUILDING
BUILDING & SAFETY
205 S. WILLOWBROOK AVENUE
COMPTON, CA 90220
USA

	DESCRIPTION	QUANTITY	PRICE	AMOUNT
100	IMAGING	16977	0.10	1,697.70
110	INDEXING	4932	0.08	394.56
120	DOCUMENT PREPARATION	16977	0.03	509.31
150	PDF CONVERSION/INDEXING	16977	0.05	848.85
170	SCANNING DRWNGS/ PICTURES	2020	1.25	2,525.00
180	DRAWING INDEXING	135	0.75	101.25
185	DRAWING PREPARATION	2020	0.25	505.00
190	DRAWING PDF CONVERSION /IDX	3162	0.50	1,581.00
135	MAINTENANCE	12	125.00	1,500.00

Paid By AN
V# 00398613
P.O. # E01819
A/C # 1001-77-0000-43162
(F)

REMARKS:

DOCUMENT IMAGES AT YOUR FINGER-TIPS!

Subtotal	$ 9,662.67
Sales Tax	
PAY THIS TOTAL AMOUNT	$ 9,662.67

TERMS:

#26.

OFFICE DEPOT

REPRINT OF ORIGINAL INVOICE

10000

THANKS FOR YOUR ORDER
IF YOU HAVE ANY QUESTIONS
OR PROBLEMS, JUST CALL US

FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT : (800) 721-6592

Controller's Office
2015 JUL -2 PM 1:38

INVOICE NUMBER	AMOUNT DUE	PAGE NUMBER
778562949001	426.97	1 OF 1
INVOICE DATE	TERMS	PAYMENT DUE
01-JUL-15	Net 30	31-JUL-15

Federal ID # 59-2663954

Bill To: ATTN: ACCTS PAYABLE
CITY OF COMPTON
301 N TAMARIND AVE
COMPTON CA 90220-2422

Ship To: CITY OF COMPTON
301 N TAMARIND AVE
COMPTON CA 90220-2422

ACCOUNT NUMBER	ACCOUNT MANAGER	SHIP TO ID	ORDER NUMBER	ORDER DATE	SHIPPED DATE
89007302	Demura, Michael Edward	PARKSREC	778562949001	30-JUN-15	01-JUL-15

BILLING ID	NAME/PHONE #	RELEASE	ORDERED BY	DESKTOP	DEPT
259285	LORRI THOMAS EXT. 6224		LORRI THOMAS		PARKS & RECREATION

CATALOG ITEM # / MANUF CODE	DESCRIPTION / CUSTOMER ITEM #	U/M	QTY ORD	QTY SHIP	QTY B/O	UNIT PRICE	EXTENDED PRICE
ETC400-2D-GY	FOLDER,CLASS,LTR,ST-CUT,	EA	60	60	0	2.550	153.00
368888 EPS8HD-BLK	SHARPENER,PNCL,ELEC,HD,B 368888	EA	2	2	0	16.110	32.22
679333 1811	PAPER,PREMIUM+ MP,OD,CAS 679333	CT	3	3	0	27.710	83.13
826876 WOTAP10	TAPE,CORRECTION,WITEOUT, 826876	PK	2	2	0	12.820	25.64
512112 REC 77182	WIPES,LYSOL,LMNLM BLOSSO 512112	EA	3	3	0	5.790	17.37
425815 BL77-A	pen,energel,0.7mm,dz,blk 425815	DZ	3	3	0	19.790	59.37
1386442 BL27A	EnerGel NV Medium Black 1386442	DZ	1	1	0	20.990	20.99

Paid By
V# 0063080
P.O. # 201835
A/C # 1001840000425
A/C #

SUB-TOTAL	391.72
TIERED DISCOUNT	0.00
DELIVERY	0.00
MISCELLANEOUS	0.00
SALES TAX	35.25
TOTAL	426.97

OK TO PAY

ALL AMOUNTS ARE BASED ON USD CURRENCY

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

▲ DETACH HERE ▲

CUSTOMER NAME	BILLING ID	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	AMOUNT ENCLOSED
CITY OF COMPTON	259285	778562949001	01-JUL-15	426.97	

FL0 002592855 778562949001 1 00000042697 1 4

PLEASE SEND YOUR CHECK TO:
OFFICE DEPOT
PO BOX 70025
LOS ANGELES CA 90074-0025

PLEASE RETURN THIS STUB WITH YOUR PAYMENT TO ENSURE PROMPT CREDIT TO YOUR ACCOUNT.

PLEASE DO NOT STAPLE OR FOLD. THANK YOU

Office DEPOT

REPRINT OF ORIGINAL INVOICE

THANKS FOR YOUR ORD
IF YOU HAVE ANY QUESTIONS
OR PROBLEMS, JUST CALL US

FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT : (800) 721-6592

INVOICE NUMBER	AMOUNT DUE	PAGE NUMBER
778565155001	6.30	1 OF 1
INVOICE DATE	TERMS	PAYMENT DUE
01-JUL-15	Net 30	31-JUL-15

Federal ID # 59-2663954

Bill To: ATTN: ACCTS PAYABLE
CITY OF COMPTON
301 N TAMARIND AVE
COMPTON CA 90220-2422

Ship To: CITY OF COMPTON
301 N TAMARIND AVE
COMPTON CA 90220-2422

ACCOUNT NUMBER	ACCOUNT MANAGER	SHIP TO ID	ORDER NUMBER	ORDER DATE	SHIPPED DATE
89007302	Demura, Michael Edward	PARKSREC	778565155001	30-JUN-15	01-JUL-15

BILLING ID	NAME/PHONE #	RELEASE	ORDERED BY	DESKTOP	DEPT
259285	LORRI THOMAS EXT. 6224		LORRI THOMAS		PARKS & RECREATION

CATALOG ITEM # / MANUF CODE	DESCRIPTION / CUSTOMER ITEM #	U/M	QTY ORD	QTY SHIP	QTY B/O	UNIT PRICE	EXTENDED PRICE
508624 RTP-024660	HIGHLIGHTERS,LIQUID,12/P 508624	DZ	2	2	0	2.890	5.78

Paid By JW
V# 0065802
P.O.# E01835
EVC# 1001810000+218
EVC #

SUB-TOTAL	5.78
TIERED DISCOUNT	0.00
DELIVERY	0.00
MISCELLANEOUS	0.00
SALES TAX	0.52
TOTAL	6.30

OK TO PAY

ALL AMOUNTS ARE BASED ON USD CURRENCY

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

▲ DETACH HERE ▲

CUSTOMER NAME	BILLING ID	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	AMOUNT ENCLOSED
CITY OF COMPTON	259285	778565155001	01-JUL-15	6.30	

FL0 002592855 7785651550013 00000000630 1 9

PLEASE SEND YOUR CHECK TO:
OFFICE DEPOT
PO BOX 70025
LOS ANGELES CA 90074-0025

PLEASE RETURN THIS STUB WITH YOUR PAYMENT TO ENSURE PROMPT CREDIT TO YOUR ACCOUNT.

PLEASE DO NOT STAPLE OR FOLD. THANK YOU

#26.

OFFICE DEPOT

REPRINT OF ORIGINAL INVOICE

10000

THANKS FOR YOUR ORDER
IF YOU HAVE ANY QUESTIONS
OR PROBLEMS, JUST CALL US

FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT : (800) 721-6592

INVOICE NUMBER	AMOUNT DUE	PAGE NUMBER
778565156001	60.36	1 OF 1
INVOICE DATE	TERMS	PAYMENT DUE
01-JUL-15	Net 30	31-JUL-15

Federal ID # 59-2663954

Bill To: ATTN: ACCTS PAYABLE
CITY OF COMPTON
301 N TAMARIND AVE
COMPTON CA 90220-2422

Ship To: CITY OF COMPTON
301 N TAMARIND AVE
COMPTON CA 90220-2422

ACCOUNT NUMBER	ACCOUNT MANAGER	SHIP TO ID	ORDER NUMBER	ORDER DATE	SHIPPED DATE
89007302	Demura, Michael Edward	PARKSREC	778565156001	30-JUN-15	01-JUL-15

BILLING ID	NAME/PHONE #	RELEASE	ORDERED BY	DESKTOP	DEPT
259285	LORRI THOMAS EXT. 6224		LORRI THOMAS		PARKS & RECREATION

CATALOG ITEM # / MANUF CODE	DESCRIPTION / CUSTOMER ITEM #	U/M	QTY ORD	QTY SHIP	QTY B/O	UNIT PRICE	EXTENDED PRICE
516810 NAT00857	ENVELOPE,CLASP,9X12,KT 516810	BX	2	2	0	27.690	55.38

Paid By JN
PO # 00650201
EXP # E01835
ACCT # 10018400004248

SUB-TOTAL	55.38
TIERED DISCOUNT	0.00
DELIVERY	0.00
MISCELLANEOUS	0.00
SALES TAX	4.98
TOTAL	60.36

OK TO PAY

ALL AMOUNTS ARE BASED ON USD CURRENCY

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

▲ DETACH HERE ▲

CUSTOMER NAME	BILLING ID	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	AMOUNT ENCLOSED
CITY OF COMPTON	259285	778565156001	01-JUL-15	60.36	

FL0 002592855 7785651560012 00000006036 1 6

PLEASE SEND YOUR CHECK TO:
OFFICE DEPOT
PO BOX 70025
LOS ANGELES CA 90074-0025

PLEASE RETURN THIS STUB WITH YOUR PAYMENT TO ENSURE PROMPT CREDIT TO YOUR ACCOUNT.

PLEASE DO NOT STAPLE OR FOLD. THANK YOU

STAPLES

that was easy.

INVOICE DATE	CUSTOMER	SUMMARY INVOICE
3/28/15	AL1586494	8033798430
PLEASE PAY BY	**TERMS**	**SUMMARY INVOICE AMOUNT**
4/27/15	Net 30 Days	1426.37

INVOICE *DETAIL*

Staples Advantage

THE CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Bill to Account: 1068698

Budget Ctr: PARKS _ RECREATION
P O Number: E01095
Ordered By: LORRI THOMAS

CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Ship to Account: PARKS AND REC

Invoice Number: 3261295217
Order: 7133786625-000-001

Order Line	Item Number	Description / Unit of Measure	Order Qty	Ship Qty	Unit Price	Extended Price
1	890997	DRYERASE PROJ CONF CABINET BLK	1.00	1.00	1269.37	1,269.37

Freight: **Tax:** 114.24 **Subtotal:** 1,269.37
Total: $1,383.61

OK TO PAY

Paid By DW
V# 00844370
P.O. # E01837
A/C # 100184 000 4410
A/C #

#26.

STAPLES

that was easy.

INVOICE DATE	CUSTOMER	SUMMARY INVOICE
2/28/15	AL1586494	8033455683
PLEASE PAY BY	TERMS	SUMMARY INVOICE AMOUNT
3/30/15	Net 30 Days	287.3

INVOICE *DETAIL*

Staples Advantage

THE CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Bill to Account: 1068698

Budget Ctr: PARKS _ RECREATION
P O Number: E00141
Ordered By: LORRI THOMAS

CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Ship to Account: PARKS AND REC

Invoice Number: 3259000537
Order: 7131715938-000-002

Order Line	Item Number	Description / Unit of Measure	Order Qty	Ship Qty	Unit Price	Extended Price
3	100564	WIPE YOUR FEET 3X5 HORIZONTAL	2.00	2.00	121.79	243.58

Freight: **Tax:** 21.92 **Subtotal:** 243.58
Total: $265.50

OK TO PAY

Paid By JW
V# 00846370
P.O.# E01837
A/C # LISTED
A/C #

Customer Service Inquiries #: 877-826-7755
Make checks payable to: Staples Advantage

Invoice Payment Inquiries #: 888-753-4110
Dept. LA P.O. Box 83689, Chicago, IL 60696-3689

STAPLES

that was easy.

INVOICE DATE	CUSTOMER	SUMMARY INVOICE
2/21/15	AL1586494	8033347891
PLEASE PAY BY	TERMS	SUMMARY INVOICE AMOUNT
3/23/15	Net 30 Days	448.23

INVOICE *DETAIL*

Staples Advantage

THE CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Bill to Account: 1068698

Budget Ctr: PARKS _ RECREATION
P O Number: E00621
Ordered By: LORRI THOMAS

CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Ship to Account: PARKS AND REC

Invoice Number: 3257902240
Order: 7129460934-000-007

Order Line	Item Number	Description / Unit of Measure	Order Qty	Ship Qty	Unit Price	Extended Price
2	100564	WIPE YOUR FEET 3X5 HORIZONTAL	1.00	1.00	73.19	73.19

Freight: **Tax:** 6.59 **Subtotal:** 73.19
Total: $79.78

OK TO PAY

Paid By
V# 0087637
P.O.# E01837
A/C # LISTED
A/C #

#26.

STAPLES

that was easy.

INVOICE DATE	CUSTOMER	SUMMARY INVOICE
2/21/15	AL1586494	8033347891
PLEASE PAY BY	TERMS	SUMMARY INVOICE AMOUNT
3/23/15	Net 30 Days	448.23

INVOICE *DETAIL*

Staples Advantage

THE CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Bill to Account: 1068698

Budget Ctr: PARKS _ RECREATION
P O Number: E00621
Ordered By: LORRI THOMAS

CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Ship to Account: PARKS AND REC

Invoice Number: 3257902239
Order: 7129460934-000-003

Order Line	Item Number	Description / Unit of Measure	Order Qty	Ship Qty	Unit Price	Extended Price
3	100575	NO FOOD OR DRINK 3X5 HORIZONTA	1.00	1.00	73.19	73.19

Freight: **Tax:** 6.59 **Subtotal:** 73.19
Total: $79.78

OK TO PAY

Paid By JW
V# 00841637
P.O # E01183
A/C # LISTED
A/C #

Customer Service Inquiries #: 877-826-7755
Make checks payable to: Staples Advantage

Invoice Payment Inquiries #: 888-753-4110
Dept. LA P.O. Box 83689, Chicago, IL 60696-3689

STAPLES

that was easy.

INVOICE DATE	CUSTOMER	SUMMARY INVOICE
2/21/15	AL1586494	8033347891
PLEASE PAY BY	TERMS	SUMMARY INVOICE AMOUNT
3/23/15	Net 30 Days	448.23

INVOICE *DETAIL*

Staples Advantage

THE CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Bill to Account: 1068698

Budget Ctr: PARKS _ RECREATION
P O Number: E00621
Ordered By: LORRI THOMAS

CITY OF COMPTON
301 N TAMARIND AVE
COMPTON, CA 90220

Ship to Account: PARKS AND REC

Invoice Number: 3257902238
Order: 7129460934-000-002

Order Line	Item Number	Description / Unit of Measure	Order Qty	Ship Qty	Unit Price	Extended Price
2	100564	WIPE YOUR FEET 3X5 HORIZONTAL	1.00	1.00	73.19	73.19

Freight: **Tax:** 6.59 **Subtotal:** 73.19
Total: $79.78

OK TO PAY

Paid By
V# 00846370
P.O. # E01837 F
A/C # 100184-000 4210
A/C #

Customer Service Inquiries #: 877-826-7755
Make checks payable to: Staples Advantage

Invoice Payment Inquiries #: 888-753-4110
Dept. LA P.O. Box 83689, Chicago, IL 60696-3689