Members of the public may address the City Council on any item shown on the agenda or matter of the Council's authority after completion of "Request to Address the Council Form" available in the lobby of the Council Chambers or in the City Clerk's office. This form must be completed 15 minutes prior to the scheduled meeting time. Pursuant to Section 54957.5 of the California Government Code, Any writings (Except for those writings which are exempt from disclosure) which are distributed to all or a majority of the members of the City Council are available for public inspection in the lobby of the City Council Chambers and in the office of the City Clerk during regular business hours.

COMPTON CITY COUNCIL
AGENDA

03/11/2025

205 S. WILLOWBROOK AVE
COMPTON, CA 90220

4:30 PM – CLOSED SESSION
5:30 PM – PUBLIC MEETING
5:35 PM – FIREWORKS HEARING
5:45 PM – CDBG ANNUAL ACTION PLAN HEARING

OPENING

ROLL CALL

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT ON CLOSED SESSION

CLOSED SESSION

1. CLOSED SESSION
   - Conference with Legal Counsel (Existing Litigation) – (Paragraph (1) of subdivision (d) of Government Code Section 54956.9)
   - Conference with Legal Counsel (Anticipated Litigation) – Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)
   - Conference with Legal Counsel (Anticipated Litigation) – Significant exposure to litigation pursuant to Government Code Section 54956.9(h)

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: City Manager
Pursuant to California Government Code Section 54957

REPORT OUT OF CLOSED SESSION

HEARING(S)

3. PUBLIC HEARING - 2025 FIREWORKS

4. PUBLIC HEARING - THE PROPOSED SUBSTANTIAL AMENDMENT TO THE COMMUNITY DEVELOPMENT BLOCK GRAND (CDBG) FY 2024-2025 ANNUAL ACTION PLAN, FY 2020-2024 CONSOLIDATED

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..

CITY TREASURER

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING AN INVESTMENT POLICY

PLANNING AND ECONOMIC DEVELOPMENT

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO APPROVE THE SUBMISSION OF A CALHOME APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE OWNER-OCCUPIED REHABILITATION PROGRAM AND THE MORTGAGE ASSISTANCE PROGRAM. IF AWARDED, THE CITY WOULD ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH GLOBAL URBAN STRATEGIES, INC. FOR THE ADMINISTRATION, REPORTING, VETTING AND LOAN SERVICING OF THE PROGRAMS.

PUBLIC WORKS DEPARTMENT

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE CONSTRUCTION OF THE ARTESIA BOULEVARD OVER ALAMEDA STREET AND ACTA/UPRR BRIDGE REPAIR PROJECT, CIP# 23-01 AS COMPLETE, DIRECT STAFF TO FILE THE NOTICE OF COMPLETION WITH THE LOS ANGELES COUNTY RECORDER'S OFFICE AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE CONSTRUCTION OF THE COMPTON FIRE STATION NOS. 1 THROUGH 4 DRIVEWAY AND APRON IMPROVEMENT PROJECT (CIP# 20-01) AS COMPLETE, DIRECT STAFF TO FILE THE NOTICE OF COMPLETION WITH THE LOS ANGELES COUNTY RECORDER'S OFFICE AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION ($88,971.31).

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN ASSIGNMENT AND ASSUMPTON AGREEMENT BETWEEN THE CITY OF COMPTON, PARAMOUNT PIPELINE, LLC AND AIR PRODUCTS MANUFACTURING, LLC

REGULAR AGENDA

NEW BUSINESS

10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE ESTIMATE OF INNOVATIVE PLAYGROUNDS CO., INC., AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH INNOVATIVE PLAYGROUNDS CO., INC, AND ESTABLISH A PURCHASE ORDER FOR THE TUCKER PARK PLAYGROUND IMPROVEMENT PROJECT FOR THE AMOUNT OF $684,704.93.

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND VOLUNTEERS OF AMERICA OF LOS ANGELES FOR INDOOR AND OUTDOOR SPACES AT 600 NORTH ALAMEDA STREET FOR A HEAD START PROGRAM

12. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT BETWEEN VOLUNTEERS OF AMERICA OF LOS ANGELES TO PROVIDE SPACE AT THE CITY-OWNED PROPERTY LOCATED AT (700 NORTH BULLIS ROAD)

13. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING ITS INTENT TO ESTABLISH AN UNDERGROUND UTILITY DISTRICT IN ACCORDANCE WITH SOUTHERN CALIFORNIA EDISION'S RULE 20A, SECTION 5896.8 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND THE COMPTON MUNICIPAL CODE SECTION 26-4

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESCINDING RESOLUTION 25817 AND AUTHORIZING THE CITY MANAGER TO AMEND THE 2024 – 2025 FISCAL YEAR BUDGET AND TO RATIFY THE PROFESSIONAL SERVICES AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER FOR MIG, INC. FOR THE COMPLETION OF THE COMPREHENSIVE CITYWIDE GENERAL PLAN 2045 UPDATE, REZONING AND ENVIRONMENTAL IMPACT REPORT ($462,208.00)

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: 3/18/2025 5:30 PM

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

March 11, 2025

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **CITY TREASURER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING AN INVESTMENT POLICY**

SUMMARY

The proposed resolution would adopt a new City investment policy that meets the industry's best practices, utilizes the most current policies set forth by California Government Code, and make the City of Compton eligible for the California Municipal Treasurers Association (CMTA) Investment Policy Certification Program.

BACKGROUND

Historically, the City has invested in the Local Agency Investment Fund (LAIF). LAIF provides local agencies a way to invest cash held in the treasury pool that may be withdrawn as needed on a same-day basis to meet an agency's cash flow needs, while realizing interest generated by the State's Pooled Money Investment Account (PMIA). As City Treasurer staff analyzed the return on LAIF investments, they noticed that the PMIA's monthly average yield was consistently two percent below other local government investment programs, especially for short-term investments. In short, whereas LAIF had been a safe investment option with reasonable return for many years, it was in the City's best interest to consider investment options that better suited the City's cash needs.

To that end, in April 2023 the Treasurer's Office, pursuant to Section 11(a)(xii) of the existing Investment Policy, began to diversify their investments to better maximize investment yields while continuing to maintain the security of initial investments and by consistently following the guidelines of the City's existing investment policy.

As time has moved forward, the investment market has significantly shifted and the types of investments that once were widely utilized and yielded high earnings may not offer the same opportunities or be as readily available as they once were. The City's current investment policy limits those opportunities currently available and authorized by the updated California Government Code. Having an investment policy that is continually updated to reflect the most recent government code, uses industry best practices, and follows the standard policy format is a key for the City of Compton to continue to put its money to work for the residents of Compton, to foster good will with

the public it serves, to be transparent with its financial practices, and to ensure that the maximum amount of investment earnings is realized.

While most of the authorized investments from the City's existing investment policy are included in the proposed new investment policy, the new policy expands the list of authorized investments to match what is currently eligible under California Government Code. This will put the City in the best possible position to invest by diversifying their choices while still being able to maintain the security of their investments.

The proposed new investment policy also includes a Risk Management and Diversification section that provides higher risk protection than the current policy. This is a key element of the policy that will help ensure the safety and security of the public funds entrusted to the City and can provide a measure of confidence to the public. One of the key elements of this section is "Mitigating Market Risk in the Portfolio". This subsection follows industry best practices by providing adequate liquidity for short-term cash needs and by making long-term investments only with funds that are not needed for current cash flow purposes.

This new policy stipulates that a review of the investment portfolio "periodically, but no less than quarterly" be made in an effort to identify any investments that do not comply with the investment policy. The City Treasurer will be tasked with establishing protocols for reporting any major and critical incidences of noncompliance to the City Council.

Periodic reporting to the City Council will be made that provides a full disclosure of the City's investment activities and a comprehensive annual report will be presented to the City Council that includes comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

Lastly, this proposed investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

STATEMENT OF THE ISSUE

Adoption of a new Investment Policy requires City Council approval.

FISCAL IMPACT

Adoption of the attached Resolution could result in an additional two to three million dollars ($2,000,000 to $3,000,000) per year.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

BRANDON MIMS
CITY TREASURER

APPROVED FOR FORWARDING:

WILLIE HOPKINS
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING AN INVESTMENT POLICY

WHEREAS, the City Council has annually adopted an Investment Policy by Resolution pursuant to Section 53646(a)(2) of the California Government Code; and

WHEREAS, Section 701 (a) of the City Charter states the City Treasurer is the custodian of all public funds belonging to, or under the control of the City, or of any office, department or agency thereof, and to that end shall have power and be required to receive and have custody of all monies receivable by the City from any source; and

WHEREAS, Section 701, (b) of the City Charter states the City Treasurer shall deposit all monies received in such depositories as may be designated by the Investment Policy and in compliance with all of the provisions of the California State Constitution and laws of the State, governing the handling, depositing and securing of public funds; and

WHEREAS, the City Treasurer shall not knowingly make any investments in any institution, company, corporation, subsidiary or affiliate that practices or supports directly or indirectly through its actions, discrimination on the basis of race, religion, color, creed, national or ethnic origin, age, sex, sexual orientation, or physical disability; and

WHEREAS, the provisions governing the investing, handling, depositing and securing of public funds changes often, however, the existing Investment Policy has not been updated since 2021; and

WHEREAS, the City Treasurer is committed to maximizing interest earnings utilizing best practices in municipal investments while remaining compliant with applicable provisions; and

WHEREAS, from time to time it is prudent to update the Investment Policy to align with best practices and to ensure existing investments remain compliant with new law.

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

Section 1. That the City Treasurer of the City of Compton, at a public meeting did render a compliant Investment Policy for the City Council's approval.

Section 2. That the Investment Policy is approved and shall be included in the City's Standard Operating Manual.

Section 3. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Controller, City Treasurer and the City Attorney.

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

ADOPTED this _____ day of _____ 2025.

_____

EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, 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 _____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

CITY OF COMPTON

INVESTMENT POLICY

ADOPTED MARCH 11, 2025

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I. INTRODUCTION

The purpose of this investment policy is to identify various policies and procedures that will foster a prudent and systematic investment program designed to seek the City of Compton's objectives of safety, liquidity and return on investment through a diversified investment portfolio. This policy also serves to organize and formalize the City's investment-related activities, while complying with all applicable statutes governing the investment of public funds. This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

This investment policy was endorsed and adopted by the City of Compton's City Council and is effective as of the 11th day of February, 2025 and replaces any previous versions.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq*., with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.

- CalPERS, OPEB trusts, and the investment of employees' deferred compensation funds invested pursuant to Government Code Section 53609

- Any other funds specifically exempted by the City Council.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

CASH MANAGEMENT

- The City will maintain sufficient operating cash in its operating account (General Checking Account, Successor Agency Checking Accounts, and Payroll Accounts).
- These balances will be minimal and maintained solely to cover outstanding warrants.
- The General Checking balance will be maintained solely to cover routine operational costs.
- The City Treasurer shall assess operating account balances on a quarterly basis and transfer excess funds to the City's investment accounts.

III. PRUDENCE

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

> "…all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The City Treasurer and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the City Treasurer or other authorized persons acted in good faith. Deviations from expectations of a security's credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

IV. OBJECTIVES

The City's overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

- **SAFETY.** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.

- **LIQUIDITY.** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

- **RETURN ON INVESTMENTS.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

The City Treasurer shall not knowingly make any investments in any institution, company, corporation, subsidiary or affiliate that practices or supports directly or indirectly through its actions, discrimination on the basis of race, religion, color, creed, national or ethnic origin, age, sex, sexual orientation, or physical disability.

V. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from California Government Code, Sections 41006 for City Treasurers and 53600 *et seq.*

The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the City Treasurer.

The City Treasurer will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this investment policy.

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus, employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. INTERNAL CONTROLS

The City Treasurer (or the Chief Deputy City Treasurer in the absence of the City Treasurer) is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City and/or the City Council, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

The Investment Policy shall be included in the City's Standard Operating Manual.

VIII. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

The City Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the City. No purchase or sale of investments is to be made with a broker-dealer, by a member of the Treasurer's office, unless the firm's name has been approved by the City Treasurer and adopted by resolution by the City's Legislative Body. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Institutions licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, with proof of FINRA certification.
- Institutions that are members of a federally regulated securities exchange.
- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- Savings association or federal association (as defined in Section 5102 of the Financial Code).
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the City Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq*. and the City's investment policy. The City Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

To the extent practicable, the City Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City Treasury will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

IX. AUTHORIZED INVESTMENTS

The City's investments are governed by California Government Code, Sections 53600 *et seq*. Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and Code, the more restrictive parameters will take precedence. Percentage holding limits and minimum credit requirements listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and issuer to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

1. **MUNICIPAL SECURITIES** include obligations of the City, the State of California and any local agency within the State of California, provided that:

- The securities are rated in a rating category of "A" or its equivalent or better by at least one nationally recognized statistical rating organization ("NRSRO").
- No more than 5% of the total portfolio may be invested in any single issuer.
- No more than 30% of the total portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2. **MUNICIPAL SECURITIES (REGISTERED TREASURY NOTES OR BONDS)** of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

   - The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
   - No more than 5% of the total portfolio may be invested in any single issuer.
   - No more than 30% of the total portfolio may be in Municipal Securities.
   - The maximum maturity does not exceed five (5) years.

3. **U.S. TREASURIES** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:

   - The maximum maturity does not exceed five (5) years.

4. **FEDERAL AGENCIES** or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal Agency or Government-Sponsored Enterprises (GSEs), provided that:

   - No more than 30% of the total portfolio may be invested in any single Agency/GSE issuer.
   - No more than 20% of the total portfolio may be invested in callable agency securities.
   - The maximum maturity does not exceed five (5) years.

5. **BANKER'S ACCEPTANCES,** provided that**:**

   - They are issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term debt obligations which are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
   - No more than 40% of the total portfolio may be invested in Banker's Acceptances.
   - No more than 5% of the total portfolio may be invested in any single issuer.
   - The maximum maturity does not exceed 180 days.

6. **COMMERCIAL PAPER**, provided that the securities are issued by an entity that meets all of the following conditions in either paragraph (a) or (b) and other requirements specified below:

   a. **SECURITIES** issued by corporations:

      (i) A corporation organized and operating in the United States with assets more than $500 million.
      (ii) The securities are rated "A-1" or its equivalent or better by at least one NRSRO.
      (iii) If the issuer has other debt obligations, they must be rated in a rating category of "A" or its equivalent or better by at least one NRSRO.

   b. **SECURITIES** issued by other entities:

      (i) The issuer is organized within the United States as a special purpose corporation, trust, or limited liability company.
      (ii) The securities must have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
      (iii)The securities are rated "A-1" or its equivalent or better by at least one NRSRO.

   - No more than 10% of the outstanding commercial paper of any single issuer.
   - No more than 25% of the City's investment assets under management may be invested in Commercial Paper. Under a provision sunsetting on January 1, 2026, no more than 40% of the total portfolio may be invested in Commercial Paper if the City's investment assets under management are greater than $100,000,000.
   - No more than 5% of the total portfolio may be invested in any single issuer.
   - The maximum maturity does not exceed 270 days.

7. **NEGOTIABLE CERTIFICATES OF DEPOSIT (NCDS)**, issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:

   - The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
   - Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term obligations rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
   - No more than 30% of the total portfolio may be invested in NCDs.
   - No more than 5% of the total portfolio may be invested in any single issuer.
   - The maximum maturity does not exceed five (5) years.

8. **FEDERALLY INSURED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- The amount per institution is limited to the maximum covered under federal insurance.
- No more than 20% of the total portfolio will be invested in a combination of federally insured and collateralized time deposits.
- The maximum maturity does not exceed five (5) years.

9. COLLATERALIZED TIME DEPOSITS (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:

- No more than 20% of the total portfolio will be invested in a combination of federally insured and collateralized time deposits.
- The maximum maturity does not exceed five (5) years.

10. PLACEMENT SERVICE DEPOSITS, provided that:

- No more than 30% of the total portfolio may be invested in a combination of qualifying place service deposits, including CDARS.
- The full amount of each deposit along with accrued interest must at all times be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA).
- Under a provision sunsetting on January 1, 2031, no more than 50% of the total portfolio may be invested in placement service deposits if the Agency is a city, district or local agency that does not pool money with other local agencies.
- The maximum maturity does not exceed five (5) years.

11. COLLATERALIZED BANK DEPOSITS. City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651. There are no limits on the dollar amount or percentage that the City may invest in collateralized bank deposits.

12. REPURCHASE AGREEMENTS collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:

- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
- Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
- The maximum maturity does not exceed one (1) year.

13. STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND (LAIF), provided that:

- The City may invest up to the maximum amount permitted by LAIF.

- LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the City Treasurer to adequately judge the risk inherent in LAIF's portfolio.

14. LOCAL GOVERNMENT INVESTMENT POOLS

- Other LGIPs permitted by the City of Compton.
- There is no issuer limitation for Local Government Investment Pools.

15. CORPORATE MEDIUM TERM NOTES (MTNS), provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

16. ASSET-BACKED, MORTGAGE-BACKED, MORTGAGE PASS-THROUGH SECURITIES, AND COLLATERALIZED MORTGAGE OBLIGATIONS FROM ISSUERS NOT DEFINED IN SECTIONS 3 AND 4 OF THE AUTHORIZED INVESTMENTS SECTION OF THIS POLICY, provided that:

- The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the total portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer.
- The maximum maturity does not exceed five (5) years.

17. MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

a. **MUTUAL FUNDS** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:

(i) Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
(ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of $500 million.

- No more than 10% of the total portfolio may be invested in shares of any one mutual fund.

b. **MONEY MARKET MUTUAL FUNDS** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:

(i) Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
(ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of $500 million.

- No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.

c. No more than 20% of the total portfolio may be invested in these securities.

18. SUPRANATIONALS, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

19. JOINT POWERS AUTHORITY (JPA) POOLS, provided that:

- The JPA is organized pursuant to California Government Code Section 6509.7 and invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive.
- Each share shall represent an equal proportional interest in the underlying pool of securities owned by the JPA.
- The JPA has retained an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (q).

X. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

- State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.
- In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- Investment in any security that could result in a zero-interest accrual if held to maturity is prohibited. Under a provision sunsetting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.
- The purchase of a security with a forward settlement date exceeding 45 days from the time of the investment is prohibited.

XI. INVESTMENT POOLS/MUTUAL FUNDS

The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. Annually, the City Treasurer shall seek responses to the following questions from any investment pool or mutual fund in which the City invests:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc. utilized by the pool/fund?
- A fee schedule, and when and how it is assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XII. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDS). The City shall require any commercial bank or savings and loan association to deposit eligible securities with an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

REPURCHASE AGREEMENTS. The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

XIII. DELIVERY, SAFEKEEPING AND CUSTODY

DELIVERY-VERSUS-PAYMENT (DVP). All investment transactions shall be conducted on a delivery-versus-payment basis.

SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third-party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) mutual funds and money market mutual funds, since these securities are not deliverable.

XIV. MAXIMUM MATURITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

XV. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the "Authorized Investments" section of this policy are designed to mitigate credit risk in the portfolio.

- No more than 5% of the total portfolio may be deposited with or invested in securities issued by any single issuer, with the exception of US Treasuries, Agencies, Supranationals, mutual funds, money market mutual funds, LGIPs, and JPAs, or unless otherwise specified in this policy.

- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or the City's risk preferences.

- If a security owned by the City is downgraded to a level below the requirements of this policy, making the security ineligible for additional purchases, the following steps will be taken:

    - Any actions taken related to the downgrade by the investment manager will be communicated to the City Treasurer in a timely manner.

    - If a decision is made to retain the security, the credit situation will be monitored and reported to the City Council.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with

embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements.

- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.

- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

XVI. REVIEW OF INVESTMENT PORTFOLIO

The City Treasurer shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the City Council.

XVII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The City Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the City Treasurer's quarterly report. The City Treasurer shall select an appropriate, readily available index to use as a market benchmark. Benchmarks may change over time based on changes in market conditions or cash flow requirements.

XVIII. REPORTING

MONTHLY REPORTS

Monthly transaction reports will be submitted by the City Treasurer to the City Council in accordance with California Government Code Section 53607.

QUARTERLY REPORTS

The City Treasurer will submit a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 45 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the City's portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date and interest rate.

2. Transactions for the period.

3. A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; investment pools, outside money managers and securities lending agents)

4. A one-page summary report that shows:
   a. Average maturity of the portfolio and modified duration of the portfolio;
   b. Maturity distribution of the portfolio;
   c. Percentage of the portfolio represented by each investment category;
   d. Average portfolio credit quality; and,
   e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the City's market benchmark returns for the same periods;

5. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.

6. A statement that the City has adequate funds to meet its cash flow requirements for the next six months.

ANNUAL REPORTS

A comprehensive annual report will be presented to the City Council. This report will include comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

XIX. REVIEW OF INVESTMENT POLICY

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

GLOSSARY OF INVESTMENT TERMS

AGENCIES. Shorthand market terminology for any obligation issued by *a government-sponsored entity (GSE),* or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

- **FFCB.** The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.
- **FHLB.** The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.
- **FHLMC.** Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "Freddie Mac" issues discount notes, bonds and mortgage pass-through securities.
- **FNMA.** Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "Fannie Mae," issues discount notes, bonds and mortgage pass-through securities.
- **GNMA.** The Government National Mortgage Association, known as "Ginnie Mae," issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.
- **PEFCO.** The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.
- **TVA.** The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER'S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which "accepts" the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from their own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED BANK DEPOSIT. A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COLLATERALIZED TIME DEPOSIT. Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for their own position.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC). The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

FEDERALLY INSURED TIME DEPOSIT. A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

FIDUCIARY. A person or organization that acts on behalf of another person(s) or organization that puts their clients' interest ahead of their own as they are bound both legally and ethically to act in the best interests of their clients.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MATURITY. The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MONEY MARKET MUTUAL FUND. A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at $1 per share.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

NEGOTIABLE CERTIFICATE OF DEPOSIT (CD). A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market.

PAYDOWN. A reduction in the principal amount owed on a bond, loan, or other debt.

PLACEMENT SERVICE DEPOSITS. A private service that allows local agencies to invest in FDIC-insured deposits with one or more banks, savings and loans, and credit unions located in the United States. IntraFi (formerly known as CDARS) is an example of an entity that provides this service.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT INVESTOR (PRUDENT PERSON) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

SECURITIES AND EXCHANGE COMMISSION (SEC). The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital

formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

SECURITIES AND EXCHANGE COMMISSION SEC) RULE 15C3-1. An SEC rule setting capital requirements for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

- **TREASURY BILLS.** All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues “cash management” bills as needed to smooth out cash flows.
- **TREASURY NOTES.** All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.
- **TREASURY BONDS.** All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

RESOLUTION NO. 25,198

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACKNOWLEDGING THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE FISCAL YEARS 2019-2020 AND 2020-2021

WHEREAS, Section 53646(a)(2) of the California Government Code provides that the Treasurer or Chief Fiscal Officer of a local agency may annually render to the legislative body a Statement of Investment Policy, which the local agency shall consider at a public meeting; and

WHEREAS, this statement is intended to outline the policies for maximizing the efficiency of the City's Cash Management System and for prudent investment of the City's funds, and to provide guidelines for suitable investments.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON RESOLVES AS FOLLOWS:

Section 1. That the City Treasurer of the City of Compton, at a public meeting conducted on January 28, 2020, and pursuant to Section 53646(a)(2) of the California Government Code, did render a "Statement of Investment Policy" for the City Council.

Section 2. That the City Treasurer declares the annual "Statement of Investment Policy" for the City of Compton for Fiscal Years 2019-2020 and 2020-2021 to be as follows:

A. POLICY

1. In accordance with the Charter of the City of Compton and under the authority granted by the City Council, the City Treasurer is responsible for investing the unexpended cash in the City Treasury. The investment of the City of Compton's funds is directed to the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659. The City Treasurer shall attempt to obtain the highest yield using the average three months Treasury Bill as a bench mark, provided that all investments meet the criteria established for safety and liquidity.

2. Criteria for selecting investments and the order of priority are:

a. **Safety**. The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. The City only operates in those investments that are considered very safe.

b. **Liquidity**. This refers to the ability to "cash in" at any moment in time with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the unexpected need for funds occurs occasionally.

c. **Yield**. Yield is the potential dollar earning an investment can provide, and sometimes is described as the rate of return.

3. The investment policy and practices of the City Treasurer for the City of Compton are based upon Federal, State, and Local law and prudent money management. The primary objectives of this policy are:

a. To protect the principal and asset holdings of the City's portfolio.

b. To ensure adequate liquidity is provided for the prompt, efficient handling of the City's disbursement.

c. To generate the maximum amount of investment income within the parameter of this Statement of Investment Policy and the guidelines for suitable investments.

d.

4. The ultimate goal is to enhance the economic status of the City while protecting its funds.

B. SCOPE

1. The investment policy applies to all financial assets of the City of Compton as accounted for in the City Annual Audited Report with some limited exceptions for Bonds Proceeds managed by the Trustees. Policy statements outlined in this document focus on the City of Compton's pooled funds, but will also apply to all other funds under the City Treasurer's span of control unless exempted by resolution or statute. This policy is applicable, but not limited to all funds listed below:

- General City Account Funds
- Water Fund
- Capital Improvement Funds
- Agency and Trust Funds
- Special Capital Improvements
- Liability Fund
- Any new fund created by the City Controller unless specifically exempted by resolution

2. One exception does exist regarding the investments of the bond reserve funds. The Trustee has no obligation in adhering to this policy due to the Bond Indenture Agreement. However, the Trustee shall consult with the Treasurer for guidelines and recommendations.

C. PRUDENCE

1. Generally, investments shall be made in the context of the "Prudent Investor" rule which states that:

> "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. It is the City's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars. However, it is realized that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized, that in a well-diversified investment portfolio, occasional measured losses are inevitable due to economic and bond market. These occasional losses must be within the context of the overall investment program and the resultant long term rate of return.

3. The City Treasurer and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

D. OBJECTIVES

1. SAFETY OF PRINCIPLE

Safety of principal is the foremost objective of the City of Compton. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the City's capital base and cash flow.

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 maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

2. LIQUIDITY

Because the City operates its own water utility and bills monthly for this service, cash flow is generated on a daily basis. Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that the City's investment portfolio will remain sufficiently liquid to enable the City to meet all reasonable anticipated operating requirements.

3. COLLATERAL REQUIREMENTS

a. Collateral are required for investments in certificates of deposit, repurchase agreements and reverse repurchase agreements. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest.

b. In order to conform with the provisions of the Federal Bankruptcy Code, which provides for liquidation of securities held as collateral, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible bankers acceptances, medium term notes or securities that are the direct obligation of, or are fully guaranteed as to principal and interest by, the United States or any agency of the United States.

4. AUTHORIZED INVESTMENT

The City is governed by the Government Code, Section 53600, et seq. The temporarily idle funds of the City of Compton shall only be invested in securities and diversified within the context of these limitations. The following investments are authorized, as further limited herein:

a. 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. There is no limitation as to the percentage of the City's surplus funds which can be invested. The maximum maturity length shall not exceed 5 years.

b. Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Bank Board (FHLB), and the Federal National Mortgage Association (FNMA) and those insured by the Federal Housing Administration (FHA). Although there is no percentage limitation on these issues, the "prudent investor" rule shall apply for a single agency name, as U.S. Government backing is implied rather than guaranteed. The maximum maturity length shall not exceed 5 years. Investments detailed in items 3 through 10 are further restricted to percentage of the cost value of the portfolio in any one issuer to a maximum of 15%. The total value invested in any one issuer shall not exceed 5% of the issuer's net worth. Again, a five year maximum maturity limitation is applicable unless further restricted by this policy

c. Bill of Exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as banker's acceptance. Banker acceptances purchased may not exceed 180 days maturity or 40% of the City's temporarily idle funds.

d. Commercial paper ranked "P1" by Moody's Investor Services and "A1+" 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. Purchase of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation. Purchase of commercial paper may not exceed 15% of the City's surplus funds.

e. Negotiable certificates of deposit issued by a Nationally or State-Chartered Bank or a State or Federal Savings and Loan Association. Purchase of negotiable certificates of deposit may not exceed 30% of total portfolio. A maturity limitation of five years is applicable.

f. Repurchase agreements. The City may invest in 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. The maturity of repurchase agreements shall not exceed 90 days and when the underlying securities are United States Treasurers or Agencies that the market collateral equals 102% of the repurchase agreement amount including accrued interest, and the maximum maturity length of that collateral does not exceed 5 years. The only securities acceptable as collateral shall be eligible negotiable certificates of deposits, eligible bankers acceptances, or securities that are direct obligation of, or that are fully guaranteed as to principal and interest by, the United States or any agency of the United States.

g. Reverse repurchase agreements that specify terms and conditions may be transacted with broker dealers and financial institutions, but cannot exceed 20% of the portfolio value on the date entered into. The City may enter into reverse repurchase agreements which may not exceed 90 days.

h. Local Agency Investment Fund. The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.

i. Time Deposit. The City may invest in non-negotiable time deposits collateralized in accordance with the California Government Code, in those banks and savings and loan associations that meet the requirements for investment in negotiable certificates of deposit. Since time deposits are not liquid, no more that 25% of the temporarily idle fund may be invested in this category.

j. Medium Term Cooperate Notes, with a maximum maturity of five years, may be purchased. Securities eligible for investment shall be rated AA or better by Moody's or Standard & Poor's rating services. Purchase of medium term notes may not exceed 30% of the market value of the portfolio and not more than 15% of the market value of the portfolio may be invested in notes issued by one corporation. Commercial paper holdings should also be included when calculating the 15% limitation.

k. Mutual Funds investments held by City must restrict their underlying investments to subsection "A" through "J" of 53601 of the Government Code or subsections "M" or "N" of 53601 of the Government Code. Mutual funds held by the City will have a maximum maturity of five (5) years, will not exceed twenty (20%) percent of the portfolio, and will have a minimum rating of AAA or Aa by either

Moody's or S&P. Mutual Fund investments will be made in accordance with section 53601(k) (l) of the Government Code.

l. Mutual Funds (Money Market Funds) held by the City will have a maximum maturity of 90 days, will not exceed twenty (20%) percent of the City's portfolio, and will have a minimum rating of AAA or AA by either Moody's or S&P. Mutual Fund investments will be made in accordance with section 53601(k) (2) of the Government Code.

m. Ineligible investments. Investments not described herein, including, but not limited to common stocks are prohibited from the use in this fund.

5. QUALIFIED DEALERS AND INSTITUTION

a. The City shall transact business only with banks, savings and loans and registered investment dealers. The purchase by the City of any Investment other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers, or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank.

b. The City Treasurer's staff shall investigate all institutions that wish to do business with the City, in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in the City of Compton's Investment Policy. This will be done by having the Financial Institutions complete and return the appropriate questionnaire.

6. COMPETITIVE BIDDING

It is the policy of the City to require competitive bidding for government agencies and securities for transactions that are not classified as "new issues" securities. For the purchase of no "new issue" securities and the sale of all securities at least three bidders must be contacted.

7. APPROVED LIST

No purchase or sale of investments is to be made with a dealer or broker unless the firm's name has been approved by the City Treasurer and adopted by resolution by the City's Legislative Body.

8. SAFEKEEPING OF SECURITIES

To protect against potential losses caused by collapse of individual securities dealers, all securities owned by the City except securities used as collateral repurchased agreements, shall be kept in safekeeping with "perfect interest" by a third party bank trust department, acting as agent for the City under the terms of a custody agreement executed by the bank and by the City. All securities will be received and delivered using standard delivery-vs.-payment procedures.

9. INVESTMENT REPORTING AND MONTHLY REPORT

The Treasurer shall render a 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 report shall also detail all repurchase agreements, and shall state its relationship to this Statement of Investment Policy as directed under the Code and will be in compliance with GASB #31.

10. PERFORMANCE MEASUREMENTS OF PORTFOLIO

The City Treasurer shall include in the monthly report of investment activity performance measurements comparing the current month's yield with the three month average Treasury Bill.

11. INVESTMENT CONTROLS

The City Treasurer has developed a system of internal investment controls and a segregation of responsibilities of investment functions. These controls are designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, or imprudent actions by employees and officers of the Treasurer's staff.

12. ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

13. LEGISLATIVE CHANGES

Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into the City of Compton Investment Policy and supersede any and all previous applicable language.

14. DELEGATION OF AUTHORITY

In the absence of the City Treasurer, the authority to execute investment transactions affecting the City's temporarily idle funds will be restricted to the Chief Deputy Treasurer and the Deputy Treasurer.

15. LIMITING MARKET VALUE EROSION

The longer the maturity of securities, the greater their market price volatility. Therefore, it is the general policy of the City to limit the potential effects from erosion in market values by adhering to the following guidelines:

a. All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investment.

b. Maturity dates for long-term investment will coincide with significant cash flow requirements where possible, to assist with short term cash requirements at maturity.

c. All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in the City's best interest to sell or trade a security prior to maturity.

16. POLICY REVIEW

a. This Investment Policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of PRINCIPAL, LIQUIDITY, AND RETURN, and its relevance to current law, financial and economic trends, and to meet the needs of the City of Compton. Any amendments to the policy shall be forward to City Council for approval at a public meeting.

b. The City strives to maintain the level of investment of all surplus funds as near 100% as possible, through daily and projected cash flow determinations. The basic premise underlying the City's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

Section 3. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Controller, City Treasurer and the City Attorney.

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

ADOPTED this 28th day of January 2020.

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 28th day of January, 2020.

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

AYES: **COUNCIL MEMBERS-** Chambers,Galvan,McCoy,Sharif,Brown
NOES: **COUNCIL MEMBERS-** None
ABSENT: **COUNCIL MEMBERS-** None
ABSTAIN: **COUNCIL MEMBERS-** None

CITY CLERK OF THE CITY OF COMPTON

March 11, 2025

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO APPROVE THE SUBMISSION OF A CALHOME APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE OWNER-OCCUPIED REHABILITATION PROGRAM AND THE MORTGAGE ASSISTANCE PROGRAM. IF AWARDED, THE CITY WOULD ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH GLOBAL URBAN STRATEGIES, INC. FOR THE ADMINISTRATION, REPORTING, VETTING AND LOAN SERVICING OF THE PROGRAMS.**

SUMMARY

The City of Compton is requesting the approval of a Resolution to apply for funding under the CalHome Program to support low- to moderate-income first-time homebuyers and owner-occupied housing rehabilitation. The City seeks to request a funding allocation of **$4,965,000.00 but will not exceed a maximum of $6,000,000.00** which would be divided across the following program activities:

A. **First Time Homebuyers Program in the amount of Two Million Two Hundred Five Thousand Dollars ($2,205,000.00); and**
B. **Owner Occupied Rehabilitation in the amount of Two Million Seven Hundred Sixty Thousand Dollars ($2,760,000.00).**
C. **Total request of Four Million Nine Hundred Sixty-Five Thousand Dollars ($4,965,000.00) but at no point will exceed a maximum combined total of Six Million Dollars ($6,000,000.00).**

BACKGROUND

The CalHome Program is authorized by Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the State Health and Safety Code. Additionally, Proposition 1C, the Housing and Emergency Shelter Trust Funds Act of 2006, provides funding for CalHome mortgage assistance for low, or very low, income first time homebuyers and owner-occupied housing rehabilitation for low, or very low, income homeowners (0 to 80% of Median Family Income). The CalHome application is a competitive application process rated and ranked by HCD to determine the grant recipients.

If awarded, these funds will provide low interest (0 to 3%, determined by the City Council) deferred payment loans to seniors, persons with a disability, and families of low and moderate-income who own and occupy their homes and need financial assistance to make repairs and improvements. This program is a reimbursable program with no matching funds required to participate.

The 2024 Homeownership Super Notice of Funding Availability (HOSN) has been issued by the California Department of Housing and Community Development (HCD), with approximately $143.1 million available for the CalHome Program. The application deadline is March 13, 2025.

STATEMENT OF THE ISSUE

The City of Compton is taking an important step to secure essential funding for its residents by seeking approval to apply for the CalHome Program under the 2024 Homeownership Super Notice of Funding Availability (HOSN). This program is designed to provide financial assistance to low- and very low-income homeowners and first-time homebuyers, helping to ensure housing stability and support critical rehabilitation efforts within the community.

Given the competitive nature of the application process, city staff recommends partnering with Global Urban Strategies, Inc. to enhance the city's chances of securing funding. If awarded, CalHome funds will offer deferred payment, low-interest loans ranging from 0% to 3% to seniors, individuals with disabilities, and low- to moderate-income families who need financial support for home repairs and improvements. Additionally, the program aims to foster economic stability and investment by making homeownership more accessible to first-time buyers. Notably, this initiative requires no matching funds from the city, making it financially viable.

The city plans to request $4,965,000, with a maximum request cap of $6,000,000. These funds will be allocated across two crucial areas: $2,205,000 for the First-Time Homebuyers Program and $2,760,000 for Owner-Occupied Rehabilitation efforts. These funds must be expended within thirty-six (36) months from the execution of the Standard Agreement.

One of the key challenges in this process is the competitive nature of the application scoring. Without external support, the city would only earn 52 points, which falls below the threshold required for a viable application. However, by collaborating with Global Urban Strategies, Inc., which has a strong track record in similar programs, the city's

application score could increase to 92, making it a strong contender for funding. Additionally, the administrative grant allocation will cover Global's compensation, eliminating the need for additional financial commitments from the city's General Fund.

With the application deadline approaching March 13, 2025, the City Council must act quickly to approve the resolution authorizing the submission. This decision will ensure the city remains eligible for CalHome funding and help secure essential resources supporting homeownership, community revitalization, and improved living conditions for Compton residents. Moving forward with this initiative, the city is committed to strengthening its neighborhoods and ensuring a stable housing environment for those who need it most.

ALTERNATIVE

The Council has the authority to staff’s recommendations for approval of resolution to submit or disapprove Staff’s recommendations and not apply for the grant opportunity. The City Council may also choose to provide further direction to Staff pertaining to this item.

FISCAL IMPACT

No matching funds are required to apply. This program has a reimbursable payment structure; the City must expend the funds and then submit them for reimbursement. The City will request, but funds may not be guaranteed, an initial program advance of up to twenty-five percent to fund start-up administrative costs and initial applications.

RECOMMENDATION

Staff recommends that Council adopt the attached Resolution.

CECIL FLOURNOY
COMMUNITY DEVELOPMENT DIRECTOR

APPROVED FOR FORWARDING:

WILLIE A. HOPKINS, JR
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO APPROVE THE SUBMISSION OF A CALHOME APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE OWNER-OCCUPIED REHABILITATION PROGRAM AND THE MORTGAGE ASSISTANCE PROGRAM. IF AWARDED, THE CITY WOULD ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH GLOBAL URBAN STRATEGIES, INC. FOR THE ADMINISTRATION, REPORTING, VETTING AND LOAN SERVICING OF THE PROGRAMS.

WHEREAS, the City of Compton, a municipal corporation and political subdivision of the State of California, wishes to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS, the California Department of Housing and Community Development (hereinafter referred to as "HCD") has the 2024 Homeownership Super Notice of Funding Availability (HOSN) on December 19, 2024, for the CalHome program established by Chapter 84, Statutes of 2000 (SB 1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the "statute"). Pursuant to the statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome program, subject to the terms and conditions of the statute and the CalHome Program Regulations adopted by HCD in April 2004; and

WHEREAS, the California Department of Housing and Community Development (HCD) has issued the 2024 Homeownership Super NOFA, offering funding for homeownership development and owner-occupied rehabilitation programs under the CalHome Program; and

WHEREAS, the City of Compton wishes to apply for funding to support low- and moderate-income first-time homebuyers and owner-occupied rehabilitation projects within the City; and

WHEREAS, the City of Compton intends to apply for funding under the CalHome Program to support low- to moderate-income first-time homebuyers and owner-occupied housing rehabilitation. The City seeks to request a funding allocation of **$4,965,000.00 but will not exceed a maximum of $6,000,000.00** which would be divided across the following program activities:

A. **First Time Homebuyers Program in the amount of Two Million Two Hundred Five Thousand Dollars ($2,205,000.00); and**
B. **Owner Occupied Rehabilitation in the amount of Two Million Seven Hundred Sixty Thousand Dollars ($2,760,000.00).**
C. **Total request of Four Million Nine Hundred Sixty-Five Thousand Dollars ($4,965,000.00) but at no point will exceed a maximum combined total of Six Million Dollars ($6,000,000.00).**

All activities will be conducted within the boundaries of the City of Compton, CA.

WHEREAS, the City of Compton has reviewed the CalHome program and determined that it is an eligible applicant for this funding; and

WHEREAS, the City of Compton, upon the award of said grant funding, wishes to enter into a Professional Service Agreement with Global Urban Strategies, Inc. for the Administration of the CalHome Program (including loan servicing, monitoring, Homebuyer Education, and submittal of reimbursement requests), program eligibility, and vetting of applicants.

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

SECTION 1. The City of Compton shall submit to HCD an application to participate in the CalHome Program in response to the NOFA issued on December 19, 2024, which will request a funding allocation for the following activities:

A. First Time Homebuyers Program in the amount of Two Million Two Hundred Five Thousand Dollars ($2,205,000.00); and

B. Owner Occupied Rehabilitation in the amount of Two Million Seven Hundred Sixty Thousand Dollars ($2,760,000.00).

C. Total request of Four Million Nine Hundred Sixty-Five Thousand Dollars ($4,965,000.00) but at no point will exceed a maximum combined total of Six Million Dollars ($6,000,000.00).

All activities will be conducted within the boundaries of the City of Compton, CA.

SECTION 2. If the application for funding is approved, the City of Compton hereby agrees to use the CalHome funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with program regulations cited above. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement. The City of Compton acknowledges and agrees that it may be required to execute any and all other instruments necessary or required by HCD for participating in the CalHome Program.

SECTION 3. The City Council of the City of Compton authorizes the City Manager or his designee, to execute in the name of the City the application, the Standard Agreement, and any subsequent amendments or modifications thereto, as well as any other documents required by HCD for participation in the CalHome Program, and any amendments thereto.

SECTION 4. Upon the award of said grant funding, the City Council of the City of Compton authorizes entering into a Professional Service Agreement with Global Urban Strategies, Inc. for the Administration of the CalHome Program (including loan servicing, monitoring, Homebuyer Education, and submittal of reimbursement requests), program eligibility, and vetting of applicants.

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

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

ADOPTED this _____ day of _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, City Clerk of the City of Compton, do 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_____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

March 11, 2025

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE CONSTRUCTION OF THE ARTESIA BOULEVARD OVER ALAMEDA STREET AND ACTA/UPRR BRIDGE REPAIR PROJECT, CIP# 23-01 AS COMPLETE, DIRECT STAFF TO FILE THE NOTICE OF COMPLETION WITH THE LOS ANGELES COUNTY RECORDER'S OFFICE AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION**

SUMMARY

This Resolution accepts the construction of the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project, CIP# 23-01 as complete, direct staff to file the Notice of Completion and authorize the release of the contractor's retention ($244,440.61).

BACKGROUND

The City of Compton replaced a section of the Artesia Boulevard Bridge (State Bridge No.53C1744, Los Angeles County Bridge No. 2446), located approximately 600 feet west of Santa Fe Avenue within City limits. Specifically, the Project is located over Alameda Street and the Union Pacific Railroad and Alameda Corridor's Right-of-Ways.

The primary focus of the Project was replacing the section of the bridge known as Span 10, initially presumed to be the sole area affected by the fire. This replacement was necessary due to the severe fire damage sustained to the bridge's steel girders and supporting connections. The replacement was an in-kind concept, using a steel superstructure with rolled steel girders.

On September 26, 2023, pursuant to Resolution No. 25, 906, City Council authorized the City Manager to enter into a construction services agreement with Beador Construction Company, Inc. (Beador) to provide the following services in accordance with the specified plans: survey of existing bridge, coordination and protection of utilities with utility companies and railroads, demolition of eastern span of the existing bridge, including possible lead and asbestos, surface repair of existing substructures, new bearings and steel girders, concrete bridge deck, median, sidewalk, and curb; salvage and reset existing steel rail, deck joints, and traffic control. City Council authorized a purchase order to be issued for the aforementioned construction services in the amount of Four Million Three Hundred Eighty One Thousand Three Hundred Dollars ($4,381,300.00).

On January 2, 2024, construction commenced to replace damaged portions of the Artesia Boulevard Bridge. Initially, the project focused solely on addressing the damage to Span 10. However, as work progressed, it became evident that Span 9 had also sustained significant fire-related damages, prompting the expansion of the project scope to encompass both spans as well as other requested work related to the Artesia Bridge project.

On October 1, 2024, pursuant to Resolution No. 26,131, City Council authorized the City Manager to amend the construction service agreement with the contractor to increase funding in the amount of $2,070,361.68 to pay for various change orders due to unforeseen circumstances and additional work that was not included in the initial scope of work. The additional funds were crucial to adequately address the additional work and ensure the project was completed in a timely manner.

STATEMENT OF ISSUE

On November 2, 2024, the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project was completed with a final construction cost of $6,467,649.69 which was less than the authorized amount approved by the City Council. All construction items were completed per the contractual agreements as follows:

Progress Payment	Total Contract	Retention	Payments to Contractor	Other
1	$ 815,167.84	$ 40,758.39	$ 774,409.45	
2	$ 245,861.72	$ 12,293.09	$ 233,568.63	
3	$ 875,551.68	$ 43,777.58	$ 831,774.10	
4	$ 344,852.32	$ 17,242.62	$ 327,609.70	
5	$ 659,800.92	$ 32,990.05	$ 626,810.87	
6	$ 909,557.51	$ 45,477.88	$ 864,079.63	
7	$ 734,771.86	$ 36,738.59	$ 698,033.27	
8	$ 585,865.07	$ 29,293.25	$ 556,571.82	
9	$ 577,443.03	$ 28,872.15	$ 548,570.88	
10	$ 675,133.36	$ 33,756.67	$ 641,376.69	
11	$ 126,741.10	$ 6,337.06	$ 120,404.05	
Totals	**$6,550,746.41**	**$ 327,537.32**	**$ 6,223,209.09**	
Difference between Contract Work and Payment to the Contractor				$83,096.72
Credit Paid to Contractor Pay App. 2				$82,650.00
Credit Paid to Contractor Pay App 10				$ 446.72

Summary		
Original Contract	$ 4,270,800.00	
Total Change Orders	$ 2,196,849.69	
Contract Total	$ 6,467,649.69	
Retention	$ 327,537.33	
Credit to Contractor	$ 83,096.72	
Retention	$ 244,440.61	

The project was conducted in accordance with California Public Contract Law, and a retention amount equivalent to 5% was withheld from progress payments to ensure satisfactory completion.

Therefore, in order to accept the construction of the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project, CIP# 23-01 as complete, direct staff to file the Notice of Completion and authorize the release of the contractor's retention ($244,440.61), City Council's authorization is necessary.

FISCAL IMPACT

There is no financial impact associated with release of the retention. Funds (5%) were withheld from each progress payment throughout the contract period.

ALTERNATIVE

The contractor has completed all work to the satisfaction of the construction specifications. Therefore, no other alternative is being proposed

RECOMMENDATION

Staff recommends that the City Council accept the construction of the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project, CIP# 23-01 as complete, direct staff to file the Notice of Completion and authorize the release of the contractor's retention ($244,440.61).

JOHN D. STRICKLAND, JR.,
DIRECTOR OF PUBLIC WORKS

APPROVED AS TO FORWARDING:

WILLIE A. HOPKINS, JR.,
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE CONSTRUCTION OF THE ARTESIA BOULEVARD OVER ALAMEDA STREET AND ACTA/UPRR BRIDGE REPAIR PROJECT, CIP# 23-01 AS COMPLETE, DIRECT STAFF TO FILE THE NOTICE OF COMPLETION WITH THE LOS ANGELES COUNTY RECORDER'S OFFICE AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION

WHEREAS, this Resolution accepts the construction of the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project, CIP# 23-01 as complete, direct staff to file the Notice of Completion and authorize the release of the contractor's retention ($244,440.61); and

WHEREAS, the City of Compton replaced a section of the Artesia Boulevard Bridge (State Bridge No.53C1744, Los Angeles County Bridge No. 2446), located approximately 600 feet west of Santa Fe Avenue within City limits; and

WHEREAS, the Project is located over Alameda Street and the Union Pacific Railroad and Alameda Corridor's Right-of-Ways; and

WHEREAS, the primary focus of the Project was replacing the section of the bridge known as Span 10, initially presumed to be the sole area affected by the fire; and

WHEREAS, this replacement was necessary due to the severe fire damage sustained to the bridge's steel girders and supporting connections and the replacement was an in-kind concept, using a steel superstructure with rolled steel girders; and

WHEREAS, on September 26, 2023, pursuant to Resolution No. 25,906, City Council authorized the City Manager to enter into a construction services agreement with Beador Construction Company, Inc. (Beador) to provide the following services in accordance with the specified plans: survey of existing bridge, coordination and protection of utilities with utility companies and railroads, demolition of eastern span of the existing bridge, including possible lead and asbestos, surface repair of existing substructures, new bearings and steel girders, concrete bridge deck, median, sidewalk, and curb; salvage and reset existing steel rail, deck joints, and traffic control; and

WHEREAS, City Council authorized a purchase order to be issued for the aforementioned construction services in the amount of Four Million Three Hundred Eighty One Thousand Three Hundred Dollars ($4,381,300.00); and

WHEREAS, on January 2, 2024, construction commenced to replace damaged portions of the Artesia Boulevard Bridge and initially, the project focused solely on addressing the damage to Span 10; and

WHEREAS, as work progressed, it became evident that Span 9 had also sustained significant fire-related damages, prompting the expansion of the project scope to encompass both spans as well as other requested work related to the Artesia Bridge project; and

WHEREAS, on October 1, 2024, pursuant to Resolution No. 26,131, City Council authorized the City Manager to amend the construction service agreement with the contractor to increase funding in the amount of $2,070,361.68 to pay for various change orders due to unforeseen circumstances and additional work that was not included in the initial scope of work and the additional funds were crucial to adequately address the additional work and ensure the project was completed in a timely manner; and

WHEREAS, on November 2, 2024, the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project was completed with a final construction cost of

$6,467,649.69 which was less than the authorized amount approved by the City Council; and

WHEREAS, all construction items were completed per the contractual agreements as follows:

Progress Payment	Total Contract	Retention	Payments to Contractor	Other
1	$ 815,167.84	$ 40,758.39	$ 774,409.45	
2	$ 245,861.72	$ 12,293.09	$ 233,568.63	
3	$ 875,551.68	$ 43,777.58	$ 831,774.10	
4	$ 344,852.32	$ 17,242.62	$ 327,609.70	
5	$ 659,800.92	$ 32,990.05	$ 626,810.87	
6	$ 909,557.51	$ 45,477.88	$ 864,079.63	
7	$ 734,771.86	$ 36,738.59	$ 698,033.27	
8	$ 585,865.07	$ 29,293.25	$ 556,571.82	
9	$ 577,443.03	$ 28,872.15	$ 548,570.88	
10	$ 675,133.36	$ 33,756.67	$ 641,376.69	
11	$ 126,741.10	$ 6,337.06	$ 120,404.05	
Totals	**$6,550,746.41**	**$ 327,537.32**	**$ 6,223,209.09**	
Difference between Contract Work and Payment to the Contractor				$83,096.72
Credit Paid to Contractor Pay App. 2				$82,650.00
Credit Paid to Contractor Pay App 10				$ 446.72

Summary		
Original Contract	$ 4,270,800.00	
Total Change Orders	$ 2,196,849.69	
Contract Total	$ 6,467,649.69	
Retention	$ 327,537.33	
Credit to Contractor	$ 83,096.72	
Retention	$ 244,440.61	

and;

WHEREAS, the project was conducted in accordance with California Public Contract Law, and a retention amount equivalent to 5% was withheld from progress payments to ensure satisfactory completion; and

WHEREAS, there is no financial impact associated with release of the retention because funds (5%) were withheld from each progress payment throughout the contract period; and

WHEREAS, in order to accept the construction of the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project, CIP# 23-01 as complete, direct staff to file the Notice of Completion and authorize the release of the contractor's retention ($244,440.61), City Council's authorization is necessary.

WHEREAS, all work items and activity was reviewed for compliance with the project specifications along with staff's recommendation for acceptance of the project as complete.

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

SECTION 1. That the City of Compton hereby accepts the construction of the Artesia Boulevard Over Alameda Street and ACTA/UPRR Bridge Repair Project, CIP# 23-01 as complete, direct staff to file the Notice of Completion and authorize the release of the contractor's retention ($244,440.61).

SECTION 2. That the contractor's retention funds are hereby authorized to be released.

SECTION 3. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and Public Works Engineering Department.

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

ADOPTED this _____ day of _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, 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 _____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

March 11, 2025

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE CONSTRUCTION OF THE COMPTON FIRE STATION NOS. 1 THROUGH 4 DRIVEWAY AND APRON IMPROVEMENT PROJECT (CIP# 20-01) AS COMPLETE, DIRECT STAFF TO FILE THE NOTICE OF COMPLETION WITH THE LOS ANGELES COUNTY RECORDER'S OFFICE AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION ($88,971.31).**

SUMMARY

This Resolution accepts the construction of the Compton Fire Station Nos. 1 through 4 Driveway and Apron Improvement Project (CIP# 20-01) as complete, direct staff to file the Notice of Completion with the Los Angeles County Recorder's Office and authorize the release of the contractor's retention ($88,971.31).

BACKGROUND

Due to the severely damaged condition of the driveway aprons and fire trucks access leading into the apparatus bays at each of the four (4) City Fire Stations, City staff was directed to solicit proposals from qualified engineering firms to provide design services for the 4 fire stations located as follows:

Fire Station 1
(Headquarters)
201 South Acacia Avenue
Compton, CA 90220

Fire Station 2
1320 East Palmer Street
Compton, CA 90221

Fire Station 3
(Training Facility)
1133 West Rosecrans Avenue
Compton, CA 90222

Fire Station 4
950 West Walnut Avenue
Compton, CA 90220

The Compton Fire Stations Nos. 1 through 4 Driveways and Apron Improvement Project, CIP# 20-01 ("Project") consisted of the following general work description: construction of PCC driveways, on-site concrete slab accesses and parking lots, dowel bars and tie bars joints, isolated joints, saw cut contraction joints, curb and gutters, sidewalks, aggregate base (Class II), detectable warning surfaces, cold mill, asphalt concrete pavement overlay, full depth of AC slot patch, adjustment of water valve, groundwater monitoring well covers, water meter boxes, and pull boxes.

On April 13, 2021, pursuant to Resolution No. 25,444, City Council authorized the City Manager to enter into a construction contract with an establish a purchase order for Horizons Construction Company International, Inc. for the Compton Fire Stations Nos. 1 through 4 Driveways and Apron Improvement Project, CIP# 20-01 in the amount of $584,700.25. The Project was originally specified to be completed in 60 working days.

As part of the pre-construction activities, staff and the contractor performed a site visit to verify and compared the scope of work identified in the plans and the current conditions of each fire station based on the design plans completed in 2021.

In June 2021, after conducting a pre-construction inspection of the sites prior to construction, City staff and management determined that the current pavement conditions of the 4 fire stations were severely damaged and that additional work was necessary to bring the parking lots up to an adequate level of service in order to meet City standards.

The original scope of work only covered portions of the severely damaged parking lots at all four fire stations. The City however desired to repair the damaged pavement at all four stations in its entirety which would require an additional funding allocation.

The contractor began construction on June 14, 2021 at Fire Station No. 1 and completed the construction work at the following fire stations in the order indicated below:

Location	**Start Date**	**Completion Date**	**Status**
Fire Station No. 1	6/14/2021	10/1/2021	Completed
Fire Station No. 2	9/2/2021	9/17/2021	Completed
Fire Station No. 4	9/21/2021	11/30/2021	Completed
Fire Station No. 3	Pending	Pending	Redesign

Fire Stations Nos. 1, 2, & 4 were completed at a total cost of $842,062.25 which was $257,362.00 above the original authorized contract amount. The available funding allocated to the project had been exhausted. Therefore, City staff requested that an additional $257,362.00 be authorized to pay the contractor for services rendered at Fire Stations Nos. 1, 2 & 4.

On December 14, 2021, pursuant to Resolution No. 25,592, City Council authorized the City Manager to amend (First Amendment) the construction contract with and establish a purchase order for Horizon Construction Company International, Inc. in the amount of $257,362 for additional work completed at Fire Stations Nos. 1, 2 & 4.

On March 7, 2023, pursuant to Resolution No. 25,798, City Council authorized the City Manager to amend (Second Amendment) the construction contract with and establish a purchase order for Horizons Construction Company International for the additional work to complete **only the drainage portion** of the work at Fire Station No. 3. in the

amount of $213,073 and on July 25, 2023, pursuant to Resolution No 25, 873, City Council authorized the City Manager to enter into an amendment (Third Amendment) to the construction contract with Horizon Construction Company, Inc. in the amount of $752,098.60 for **additional concrete work** at Fire Station No. 3. The additional cost included installing concrete throughout the entire area of Fire Station No. 3.

Construction of Fire Station No. 3 began on November 20, 2023 and the project was completed on August 13, 2024 with a total construction cost of $1,786,053.31 which was $21,180.54 less than the amount authorized by the City Council.

STATEMENT OF THE ISSUE

The project was conducted in accordance with California Public Contract Law, and a retention amount equivalent to 5% was withheld from progress payments to ensure satisfactory completion.

Therefore, in order to accept the Compton Fire Station Nos. 1 through 4 Driveway and Apron Improvement Project (CIP# 20-01) as complete, direct staff to file the Notice of Completion with the Los Angeles County Recorder's Office and authorize the release of the contractor's retention ($88,971.31), City Council's authorization is necessary.

FISCAL IMPACT

There is no financial impact associated with release of the retention. Funds (5%) were withheld from each progress payment throughout the contract period.

ALTERNATIVE

The contractor has completed all work to the satisfaction of the construction specifications. Therefore, no other alternatives are being proposed.

RECOMMENDATION

Staff recommends that the City Council accept the completion of the Compton Fire Station Nos. 1 through 4 Driveway and Apron Improvement Project (CIP# 20-01) as complete, direct staff to file the Notice of Completion with the Los Angeles County Recorder's Office and authorize the release of the contractor's retention ($88,971.31).

JOHN D. STRICKLAND, JR.
DIRECTOR OF PUBLIC WORKS

APPROVED FOR FORWARDING:

WILLIE A. HOPKINS
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE CONSTRUCTION OF THE COMPTON FIRE STATION NOS. 1 THROUGH 4 DRIVEWAY AND APRON IMPROVEMENT PROJECT (CIP# 20-01) AS COMPLETE, DIRECT STAFF TO FILE THE NOTICE OF COMPLETION WITH THE LOS ANGELES COUNTY RECORDER'S OFFICE AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION ($88,971.31).

WHEREAS, this Resolution accepts the construction of the Compton Fire Station Nos. 1 through 4 Driveway and Apron Improvement Project (CIP# 20-01) as complete, direct staff to file the Notice of Completion with the Los Angeles County Recorder's Office and authorize the release of the contractor's retention ($88,971.31); and

WHEREAS, due to the severely damaged condition of the driveway aprons and fire trucks access leading into the apparatus bays at each of the four (4) City Fire Stations, City staff was directed to solicit proposals from qualified engineering firms to provide design services for the 4 fire stations located as follows:

Fire Station 1
(Headquarters)
201 South Acacia Avenue
Compton, CA 90220

Fire Station 2
1320 East Palmer Street
Compton, CA 90221

Fire Station 3
(Training Facility)
1133 West Rosecrans Avenue
Compton, CA 90222

Fire Station 4
950 West Walnut Avenue
Compton, CA 90220

;and

WHEREAS, the Compton Fire Stations Nos. 1 through 4 Driveways and Apron Improvement Project, CIP# 20-01 ("Project") consisted of the following general work description: construction of PCC driveways, on-site concrete slab accesses and parking lots, dowel bars and tie bars joints, isolated joints, saw cut contraction joints, curb and gutters, sidewalks, aggregate base (Class II), detectable warning surfaces, cold mill, asphalt concrete pavement overlay, full depth of AC slot patch, adjustment of water valve, groundwater monitoring well covers, water meter boxes, and pull boxes; and

WHEREAS, on April 13, 2021, pursuant to Resolution No. 25,444, City Council authorized the City Manager to enter into a construction contract with an establish a purchase order for Horizons Construction Company International, Inc. for the Compton Fire Stations Nos. 1 through 4 Driveways and Apron Improvement Project, CIP# 20-01 in the amount of $584,700.25 and the Project was specified to be completed in 60 working days; and

WHEREAS, as part of the pre-construction activities, staff and the contractor performed a site visit to verify and compared the scope of work identified in the plans and the current conditions of each fire station based on the design plans completed in 2021; and

WHEREAS, in June 2021, after conducting a pre-construction inspection of the sites prior to construction, City staff and management determined that the current pavement conditions of the 4 fire stations were severely damaged and that additional work was necessary to bring the parking lots up to an adequate level of service in order to meet City standards; and

WHEREAS, the original scope of work only covered portions of the severely damaged parking lots at all four fire stations; and

WHEREAS, the City however desired to repair the damaged pavement at all four stations in its entirety which would require an additional funding allocation; and

WHEREAS, the contractor began construction on June 14, 2021 at Fire Station No. 1 and completed the construction work at the following fire stations in the order indicated below:

Location	**Start Date**	**Completion Date**	**Status**
Fire Station No. 1	6/14/2021	10/1/2021	Completed
Fire Station No. 2	9/2/2021	9/17/2021	Completed
Fire Station No. 4	9/21/2021	11/30/2021	Completed
Fire Station No. 3	Pending	Pending	Redesign

;and

WHEREAS, Fire Stations Nos. 1, 2, & 4 were completed at a total cost of $842,062.25 which was $257,362.00 above the original authorized contract amount; and

WHEREAS, the available funding allocated to the project had been exhausted and therefore, City staff requested that an additional $257,362.00 be authorized to pay the contractor for services rendered at Fire Stations Nos. 1, 2 & 4; and

WHEREAS, on December 14, 2021, pursuant to Resolution No. 25,592, City Council authorized the City Manager to amend (First Amendment) the construction contract with and establish a purchase order for Horizon Construction Company International, Inc. in the amount of $257,362 for additional work completed at Fire Stations Nos. 1, 2 & 4; and

WHEREAS, on March 7, 2023, pursuant to Resolution No. 25,798, City Council authorized the City Manager to amend (Second Amendment) the construction contract with and establish a purchase order for Horizons Construction Company International, Inc. for the additional work to complete **only the drainage portion** of the work at Fire Station No. 3. in the amount of $213,073; and

WHEREAS, on July 25, 2023, pursuant to Resolution No 25, 873, City Council authorized the City Manager to enter into an amendment (Third Amendment) to the construction contract with Horizon Construction Company International, Inc. in the amount of $752,098.60 for **additional concrete work** at Fire Station No. 3 and the additional cost included installing concrete throughout the entire area of Fire Station No. 3; and

WHEREAS, construction of Fire Station No. 3 began on November 20, 2023 and the project was completed on August 13, 2024 with a total construction cost of $1,786,053.31 which was $21,180.54 less than what was authorized by the City Council; and

WHEREAS, the project was conducted in accordance with California Public Contract Law, and a retention amount equivalent to 5% was withheld from progress payments to ensure satisfactory completion; and

WHEREAS, in order to accept the Compton Fire Station Nos. 1 through 4 Driveway and Apron Improvement Project (CIP# 20-01) as complete, direct staff to file the Notice of Completion with the Los Angeles County Recorder's Office and authorize the release of the contractor's retention ($88,971.31), City Council's authorization is necessary.

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

Section 1. That the City hereby accepts the construction of the Compton Fire Station Nos. 1 through 4 Driveway and Apron Improvement Project (CIP# 20-01) as complete, direct staff to file the Notice of Completion with the Los Angeles County Recorder's Office and authorize the release of the contractor's retention ($88,971.31).

Section 2. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and Public Works Engineering Department.

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

ADOPTED this _____ day of _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, 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 _____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

March 11, 2025

TO: **MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN ASSIGNMENT AND ASSUMPTON AGREEMENT BETWEEN THE CITY OF COMPTON, PARAMOUNT PIPELINE, LLC AND AIR PRODUCTS MANUFACTURING, LLC**

SUMMARY

This Resolution authorizes the City Manager to enter into an Assignment and Assumption Agreement between the City of Compton, Paramount Pipeline, LLC and Air Products Manufacturing, LLC.

BACKGROUND

Paramount Pipeline, LLC ("Paramount Pipeline") has operated an oil pipeline which runs approximately 7,302 linear feet under Compton Boulevard, Gibson Avenue, Myrrh Street, Lime Avenue, Alondra Boulevard, Atlantic Avenue, Artesia Boulevard, and Santa Fe Avenue in the City of Compton pursuant to Ordinance No. 2,223, adopted on October 11, 2011. The term of the franchise is for 20 years (April 10, 2006 – April 10, 2026).

On May 4, 2023, Paramount Pipeline, LLC (Paramount Pipeline) entered into an Asset Purchase and Sales Agreement with Air Products Manufacturing, LLC ("Air Products") to purchase the pipelines assets in the City of Compton (the "City") covered under Franchise Resolution/Ordinance Nos. 2,223, 23,388, and 23,363 (the "Pipeline Assets").

Effective November 14, 2023, Paramount Pipeline and Air Products have finalized the transaction, which included the transfer of pipeline assets cover by the franchise resolutions to Air Products. Paramount Pipeline will continue to operate these assets.

Paramount Pipeline is requesting the City Council to consent to the proposed Assignment and Assumption Agreement in order to finalize the transaction between Paramount Pipeline and Air Products.

The Assignment and Assumption Agreement ensures that Air Products agrees to be bound by all the terms and conditions of the franchise upon the closing of the transaction with Paramount Pipeline.

STATEMENT OF ISSUE

Section 7, Assignment of Ordinance No. 2,223, states that Paramount Petroleum Corporation shall not permit any right or privilege granted by the franchise to be exercised by another, nor shall the franchise or any interest therein or any right or privilege thereunder be in whole or in part sold, transferred, leased, assigned, or disposed of except to a corporation acquiring or owning a portion of the assets of Paramount Petroleum without the consent of the City of Compton expressed by resolution.

Any such sale, lease, assignment, or other disposition of the franchise, whether requiring the consent of the City or otherwise, shall be evidenced by a duly executed instrument in writing filed in the office of the City Clerk with a copy sent to the Department of Public Works.

Therefore, in order to authorize the City Manager to enter into an Assignment and Assumption Agreement between the City of Compton, Paramount Pipeline, LLC and Air Products Manufacturing, LLC, City Council's authorization is necessary.

FISCAL IMPACT

None.

ALTERNATIVE

No other option is being proposed.

RECOMMENDATION

Staff recommends the City Council adopt the attached Resolution.

JOHN D. STRICKLAND, JR.
DIRECTOR OF PUBLIC WORKS

APPROVED FOR FORWARDING

WILLIE A. HOPKINS, JR.
CITY MANAGER

Attachment: Assignment and Assumption Agreement

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN ASSIGNMENT AND ASSUMPTON AGREEMENT BETWEEN THE CITY OF COMPTON, PARAMOUNT PIPELINE, LLC AND AIR PRODUCTS MANUFACTURING, LLC

WHEREAS, Paramount Pipeline, LLC has operated an oil pipeline which runs approximately 7,302 linear feet under Compton Boulevard, Gibson Avenue, Myrrh Street, Lime Avenue, Alondra Boulevard, Atlantic Avenue, Artesia Boulevard, and Santa Fe Avenue in the City of Compton pursuant to Ordinance No. 2,223, adopted on October 11, 2011 and the terms of the franchise is for 20 years (April 10, 2006 – April 10, 2026); and

WHEREAS, on May 4, 2023, Paramount Pipeline, LLC (Paramount Pipeline) entered into an Asset Purchase and Sales Agreement with Air Products Manufacturing, LLC ("Air Products") to purchase the pipelines assets in the City of Compton (the "City") covered under Franchise Resolutions/Ordinance Nos. 2,223, 23,388, and 23,363 (the "Pipeline Assets"); and

WHEREAS, effective November 14, 2023, Paramount Pipeline and Air Products have finalized the transaction, which included the transfer of pipeline assets covered by the franchise resolutions to Air Products and Paramount Pipeline will continue to operate these assets; and

WHEREAS, Paramount Pipeline is requesting the City Council to consent to the proposed Assignment and Assumption Agreement in order to finalize the transaction between Paramount Pipeline and Air Products; and

WHEREAS, the Assignment and Assumption Agreement ensures that Air Products agrees to be bound by all the terms and conditions of the franchise upon the closing of the transaction with Paramount Pipeline; and

WHEREAS, Section 7, Assignment of Ordinance No. 2,223, states that Paramount Petroleum Corporation shall not permit any right or privilege granted by the franchise to be exercised by another, nor shall the franchise or any interest therein or any right or privilege thereunder be in whole or in part sold, transferred, leased, assigned, or disposed of except to a corporation acquiring or owning a portion of the assets of Paramount Petroleum without the consent of the City of Compton expressed by resolution; and

WHEREAS, any such sale, lease, assignment, or other disposition of the franchise, whether requiring the consent of the City or otherwise, shall be evidenced by a duly executed instrument in writing filed in the office of the City Clerk with a copy sent to the Department of Public Works; and

WHEREAS, in order to authorize the City Manager to enter into an Assignment and Assumption Agreement between the City of Compton, Paramount Pipeline, LLC and Air Products Manufacturing, LLC, City Council's authorization is necessary.

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

SECTION 1. That the City Council hereby approves and authorize the execution of the Assignment and Assumption Agreement among the City of Compton, Paramount Pipeline, LLC, and Air Products Manufacturing, LLC attached hereto as "Exhibit A" and incorporated herein by reference.

SECTION 2. That this Resolution shall take effect upon the adoption date of this Resolution.

SECTION 3. That copies of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and the Public Works Engineering Department.

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

ADOPTED this _____ day of _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, 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 _____, 2025.

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

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

ASSIGNMENT AND ASSUMPTION AGREEMENT BETWEEN PARAMOUNT PIPELINE, LLC, AIR PRODUCTS MANUFACTURING LLC AND THE CITY OF COMPTON

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT BETWEEN PARAMOUNT PIPELINE, LLC, AIR PRODUCTS MANUFACTURING LLC AND THE CITY OF COMPTON ("Agreement") is made as of the _____ day of February, 2025, by and among Paramount Pipeline, LLC, a Delaware limited liability company ("Paramount Pipeline"), having its principal office at 255 Franklin Street, Suite 2330, Boston, Massachusetts 02110, and Air Products Manufacturing LLC, a Delaware limited liability company ("Air Products"), having its principal office at 1940 Air Products Boulevard, Allentown, Pennsylvania 18106, and the City of Compton, a municipal corporation, having its principal office at 205 South Willowbrook Avenue, Compton, CA 90220 ("Compton").

WITNESSETH:

WHEREAS, Paramount Pipeline currently holds a franchise issued by Compton for the operation of its current pipeline system. The franchise, Ordinance No. 2,223, is attached hereto and incorporated by reference herein as "Exhibit A";

WHEREAS, on May 4, 2023, Paramount Pipeline entered into an Asset Purchase and Sale Agreement with Air Products to, among other things, purchase the pipeline assets in the Compton covered under Franchise Resolutions/Ordinance Nos. 2,223, 23,081, and 23,363 (collectively, the "Franchises");

WHEREAS, among the assets being sold to Air Products as part of the transaction are all of Paramount Pipeline's right, title and interest in and to the Franchises and the real estate interest or estate created therein;

WHEREAS, Paramount Pipeline requests that Compton consent to this Assignment and Assumption of the franchise granted under the Franchises;

WHEREAS, Compton hereby consents to the assignment of the Franchises to Air Products and Air Products hereby agrees to assume the obligations of and be bound by all the terms and conditions of the Franchises;

WHEREAS, Paramount Pipeline has the right to continue to operate the assets governed by the Franchises; and

WHEREAS, all parties to this Agreement warrant and represent that they have full authority and ability to enter into this Agreement on behalf of the entities that they represent and by their signatures below, officers of Air Products agree for themselves to be bound by the terms and conditions of the Franchises.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions herein contained, the parties agree as follows:

A. The Recitals set forth above are true and correct and are hereby incorporated into this Agreement by reference, as though set forth in full herein.

B. Compton hereby consents to the assignment of the Franchises to Air Products and Air Products hereby agrees to assume the obligations of and be bound by all the terms and conditions of the Franchises; provided that Paramount Pipeline has the right to continue to operate the assets conveyed under the Franchises.

C. The representatives of the respective parties who are primarily responsible for the administration of this Agreement, and to whom formal notices, demands and communications shall be given, are as follows:

The principal representative of Compton shall be:

John D. Strickland, Jr.
Director of Public Works
205 South Willowbrook Avenue
Compton, California 90220
(310) 605-5505

The principal representative of the Paramount Pipeline shall be:

Joseph Ran
Vice President Business Development and Innovation
14700 Downey Avenue, Suite 100
Paramount, California 90723
(562) 531-2060

The principal representative of Air Products shall be:

Air Products Manufacturing LLC
1940 Air Products Boulevard
Allentown, Pennsylvania 18106-5500
Attention: Corporate Secretary

D. The terms, conditions, and provisions hereof shall extend to and be binding upon the parties hereto, their successors and assigns. Paramount Pipeline may not transfer or assign this Agreement without Compton's prior written consent, which consent shall not be unreasonably withheld.

[*Signatures on following pages*]

IN WITNESS THEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

CITY OF COMPTON:

_____ _____

Willie A. Hopkins, Jr., City Manager **Date**

PARAMOUNT PIPELINE, LLC:

_____ _____

Joseph Ran **Date**

AIR PRODUCTS MANUFACTURING LLC:

_____ _____

Michael A. Pires **Date**

ATTEST:

_____ _____

Satra D. Zurita, City Clerk **Date**

APPROVED AS TO FORM:

_____ _____

Eric J. Perrodin, City Attorney **Date**

Exhibit A

[*see attached*]

ORDINANCE NO. 2,223

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON GRANTING A FRANCHISE TO PARAMOUNT PETROLEUM TO OPERATE, REPLACE AND REPAIR PIPELINES AND APPURTENANCES FOR TRANSPORTATION OF REFINED PETROLEUM PRODUCTS

WHEREAS, Section 1501 of the Compton **City Charter** authorizes the City to grant franchises to any person, firm or corporation furnishing the City or its inhabitants with transportation, communication, terminal facilities, water, light, heat, power, refrigeration, storage or any other public utility or service, or using the public streets, ways, alleys, or places for the operation of plants, works, or equipment for the furnishing thereof or traversing any portion of the City for the transmitting or conveying of any such service elsewhere may be required by ordinance to have a valid and existing franchise; and

WHEREAS, the use of public streets and ways for the transport of refined petroleum products in pipelines within the jurisdiction of the City requires a franchise as contemplated by Section 1501 of the Compton City Charter; and

WHEREAS, Ordinance No. 1,858 granted a twenty (20) year franchise to GATX Terminals Corporation to operate, maintain, replace and repair certain pipelines and appurtenances for the transportation of refined petroleum oil in the City of City (GATX Terminals Corporation, the Grantee, was acquired by Paramount Petroleum in 2002); and

WHEREAS, the term of the franchise granted by Ordinance No. 1,858 expired on April 10, 2006 and Paramount Petroleum desires to enter into another franchise agreement; and

WHEREAS, pursuant to Resolution No. 23,363, adopted on July 26, 2011, a hearing was held on September 6, 2011 to receive public comments on the proposed granting of a twenty (20) year petroleum pipeline franchise (April 10, 2006 through April 10, 2026) to Paramount Petroleum.

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

SECTION 1. Nature and Extent of Grant:

The **CITY OF COMPTON** hereinafter also referred to as **"CITY"**, herewith grants to **PARAMOUNT PETROLEUM**, its successors and assigns, hereinafter referred to as **"GRANTEE"**, subject to the terms and conditions herein contained, the right, privilege and franchise to operate, maintain, replace, and repair the existing pipeline for the purpose of transporting refined petroleum products. The pipeline is currently located in certain public streets, located in the **"CITY"**, described in the attached Exhibit "A".

SECTION 2. Duration of Franchise:

The Franchise shall be effective on April 10, 2006. The term of this franchise shall be for twenty (20) years, terminating on April 10, 2026. The **"CITY"** reserves the right to limit this franchise prior to its expiration **in the event**:

A. **GRANTEE** fails to comply with any of the provisions hereof; provided, however, that if such failure to comply shall be due to a cause beyond the control of the **GRANTEE,** the franchise shall not be so terminated; and provided further that this franchise

shall not be so terminated unless the **GRANTEE** is given written notice of such noncompliance and fails within ninety (90) days of the date of such notice to commence and thereafter diligently prosecute to completion the corrective action necessary to cure such noncompliance. Notwithstanding the foregoing, if **GRANTEE'S** noncompliance is of such kind or nature as to cause a hazard to the public or endanger the public peace, health safety or general welfare, the **CITY'S** Director of Public Works may so notify the **GRANTEE** and reduce the period during which **GRANTEE** shall commence the work necessary to correct such noncompliance. In the event the **GRANTEE** fails to commence the corrective action within the time specified, as an alternative to terminating this franchise, the **CITY** may do the corrective work at the **GRANTEE'S** expense.

B. Any provision herein becomes invalid or unenforceable and the **CITY** expressly finds that such provisions constitute a consideration material to the granting of this franchise, then this franchise may be terminated by the **CITY** on ten (10) days written notice.

SECTION 3. Pipeline Operations:

A. Applicable Rules: The **GRANTEE** agrees to operate, maintain, replace and repair the pipelines and appurtenances in a good workmanlike manner, and in conformity with all regulations now or hereafter adopted by the State Fire Marshal.

B. Repairs and Street Excavations:

1. The work of maintaining or repairing all pipelines and appurtenances covered by this franchise shall be conducted with the least commercially reasonable hindrance to the use of the streets such facilities occupy for the purpose of travel.

2. The **GRANTEE** shall have the right to make all necessary street excavations for the purpose of exercising the rights granted by this franchise, but nothing herein contained shall relieve the **GRANTEE** from the provisions of any **CITY** ordinance or law that may be in force at the time requiring that permits be obtained for street excavations before such work is commenced.

All excavations shall be made and back—filled in strict compliance with all **CITY** ordinances that may be in effect at the time of the performance of the work and shall be made as not to interfere unreasonably with the free use of the streets by the public.

Upon completion of the work for which street excavations are made, all portions of the streets which have been excavated or otherwise damaged by such excavation work shall be restored to their original condition or equivalent to the satisfaction of the Director of Public Works.

C. Cleanup of Breaks and Leaks: If any portion of any street shall be damaged by reason of breaks or leaks in any pipeline or appurtenance maintained or repaired under this franchise, or if any street, sidewalk, sewer, storm drain waterline, or other facility be contaminated by any substance transported in said pipelines, the **GRANTEE** shall at its own expense immediately repair or clean up or cause to be repaired or cleaned up, any such damage or contamination and put such street, sidewalk, sewer, storm drain, waterline or other facility in as good condition as it was before such break or leak to the satisfaction of the Director of Public Works. Such cleanups shall be accomplished in a timely manner, with as little public disruption as commercially reasonable. Such emergency repair of franchise property may be commenced without prior permit; provided however, that the **GRANTEE** no later than the next normal working day shall notify by telephone, the Director of Public Works of any such work and shall within the next seven (7) calendar days apply for an excavation permit authorizing such emergency work.

D. Emergency Crews and Equipment: At all times during the term of this franchise, the **GRANTEE** shall maintain on a twenty-four (24) hour basis, personnel to operate the pipeline system, including monitoring the leak detection system and the communications equipment. In addition, during the term of this franchise, the **GRANTEE** shall maintain on a twenty—four (24) hour basis, adequate standby equipment and properly trained emergency standby crews, within a radius of twenty—five (25) miles from any facilities maintained pursuant hereto, for the purpose of implementing emergency response, such as, shutting off the pressure and the flow of contents of such facilities, repairs, oil—spill cleanup, preventing or minimizing damage or the threat of any damage to people or the environment in the event of an emergency resulting from an earthquake, act of war, civil disturbance, flood, fire, leakage or other cause.

E. Changes Required by Public Improvements: Whenever, during the existence of this franchise, the **CITY** shall change the grade, width, or location of any street in any manner, including the laying of sewer, storm drain, conduits, gas, water or other pipes owned or operated by the **CITY** or any other public agency, under the jurisdiction of the **CITY**, or construct any pedestrian tunnels, or other work of the **CITY** (the right to do all of which is specifically reserved to the **CITY** without any admission on its part that it would not otherwise have such rights) and such work shall, in the opinion of the Director of Public Works, render necessary any **change in the position or location of any facilities of the GRANTEE** in the street, the **GRANTEE** shall, at its sole cost and expense begin and thereafter diligently perform the necessary work to completion, in conformity with the written notice of the Director of Public Works as provided hereinafter. However, the **CITY** shall not require any relocation or modification which will have the effect of depriving the **GRANTEE** of a continuous and contiguous pipeline right-of-way. Except as provided herein before in this Section, when such rearrangement is done for the accommodation of any person, firm or corporation, the cost of such rearrangement shall be borne by the accommodated party. Such accommodated party in advance of such arrangement, shall: (1) deposit with the **GRANTEE** either cash or a corporate surety bond in an amount, as in the reasonable discretion of the **GRANTEE** shall be required to pay the costs of such rearrangement; and (2) shall execute an instrument agreeing to indemnify and hold harmless the **GRANTEE** from any and all damages caused by such rearrangement.

Nothing contained in this franchise shall be construed to require the **CITY** to move, alter or relocate any of its facilities upon said streets, at its own expense, for the convenience, accommodation or necessity of any other public utility, person, firm or corporation, or to require the **CITY** or any person, firm or corporation now or hereafter owning a public utility system of any type or nature, to move, alter or relocate any part of its system upon said streets for the convenience, accommodation or necessity of the **GRANTEE**.

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

F. Abandoned or Removal of Franchise Property: At the expiration, renovation or termination of this franchise or of the permanent discontinuance of the use of its facilities or any portion thereof, the **GRANTEE** shall, within thirty (30) days thereafter, make a written application to the Director of Public Works for authority (as determined by the **GRANTEE** either: (1) to abandon all, or a portion, of such facilities in place; or (2) to remove all, or a portion of such facilities. Such application shall describe the facilities desired to be abandoned or removed by reference to the map or maps required hereinafter and shall also describe with reasonable accuracy the relative physical condition of such facilities. The

Director of Public Works shall determine whether such abandonment or removal which is thereby proposed may be effected without detriment to the public interest or under what conditions such proposed abandonment or removal may be safety affected. He shall then notify the **GRANTEE**, and according to such requirements as shall be specified in the Public Works Director's order, the **GRANTEE** shall, within ninety (90) days thereafter, either:

1. Remove all or a portion of such facilities; or

2. Abandon in place all or a portion of such facilities, as set forth in the Public Director's order.

If any facilities to be abandoned in place subject to prescribed conditions shall not be abandoned in accordance with all such conditions, then the Director of Public Works may take additional appropriate steps, including, if he deems desirable, an order that the **GRANTEE** shall remove all such facilities in accordance with applicable requirements. In the event the GRANTEE shall fail to remove any facilities which it is obligated to remove in accordance with such applicable requirements within such time as may be prescribed by the Director of Public Works, then the **CITY** may remove or cause to be removed such facilities at the **GRANTEE'S** expense and the **GRANTEE** shall pay to the **CITY** the actual cost thereof, plus the current rate of overhead being charged by the **CITY** for reimbursable work.

G. Suspension of Operations: If, for any reason, the GRANTEE suspends operations of any pipeline contained in the franchise for a period in excess of ninety (90) days, he shall notify the Director of Public Works. During this period of suspended operations, the **GRANTEE** shall maintain his normal pipeline surveillance and all cathodic protection systems to insure pipeline integrity. This shall continue until such a time as the line is returned to service or abandoned in accordance with provisions mentioned hereinbefore.

SECTION 4. Maps and Records:

Within ninety (90) days following the date on which the pipeline has been relocated under this franchise, **GRANTEE** shall file as-built drawings and maps in such form as may be required by the city Engineer, the location, length and size of all of its facilities then in place; and shall, upon installation of any additional facilities, or upon removal, change or abandonment of all or any portion thereof, file revised as-built drawings and maps showing the location, length and size of all such additional, removed or abandoned facilities as of that date.

SECTION 5. Compensation to the City:

Upon the adoption this franchise ordinance, the **GRANTEE** shall pay to the **CITY**, the sum of Ninety-Eight Thousand Nine Hundred Twenty One Dollars and Eleven Cents ($98,921.11) configured as follows:

1. The franchise fees and penalties in the amount Seventy-Eight Thousand Nine Hundred Twenty One Dollars and Eleven Cents ($78,921.11) for the period from April 10, 2006 to April 10, 2011.

2. An expense reimbursement fee in the amount of Twenty Thousand Dollars and No Cents ($20,000.00).

Subsequently, as further consideration for the franchise herewith granted, the **GRANTEE** shall pay to City **annually** on each anniversary of the effective date of this ordinance during the term of this franchise, a base annual rate the amount of Thirty-Five and Two-Tenths Cents ($.352) per lineal foot of pipe for pipeline with an internal diameter of (6)

inches, or the sum of Nine Thousand Three Hundred Twelve Dollars and Eighty-Four Cents ($9,312.84), whichever is greater increased annually on each anniversary of the effective date of this franchise in proportion to the increase (if any) in the Consumer Price Index, All Urban Consumers, Los Angeles-Riverside-Orange County, CA, "All Items" prepared by the United Sates Bureau of Labor Statistics, Department of labor, for the month which is three months prior to the anniversary date of this ordinance, and the month in which such anniversary date falls, but in no event shall any annual payment be less than the preceding annual payment. If said Bureau shall revise said Index, the parties shall accept the method of revision or conversion recommended by said bureau, and if said Index shall be discontinued with no recommend substitute, then the amount of each annual payment shall be equal to the amount of the last annual payment paid prior to said discontinuance.

Notwithstanding the provision of this Item 5, the **GRANTEE** shall be liable to pay the **CITY** the annual fee for the period to and including the date of either actual removal of the facilities or the effective date of a properly approved abandonment "in place' authorized by the **CITY**, and until the **GRANTEE** shall have fully complied with all the provisions of the law or ordinances relative to such abandonments.

In the event of partial abandonment of facilities with the approval of the **CITY** as elsewhere herein provided, or in the event of partial removal of such facilities by the **GRANTEE**, the payment otherwise due the **CITY** for occupancy of the streets by such facilities shall be prorated beginning the first day of the next succeeding franchise year; and for each franchise year thereafter, at the prorated amount per each linear foot of pipeline abandoned or removed; provided, however, that the said base rate shall be modified to reflect the Price Index adjustment (as provided hereinbefore) applicable to such abandoned or removed pipeline at the beginning of the next succeeding franchise year following abandonment or removal.

All annual payments shall be paid, without deduction or offset to the office of the City Controller at 205 South Willowbrook Avenue, Compton, California, 90220, or at such place as the **CITY** shall from time to time designate in writing. In the event any payment required hereunder is late, the following schedule of late charges shall be applicable to that portion which is overdue.

a. Late ten (10) days but under thirty (30) days — 2% of the amount due; plus

b. For each additional thirty (30) days or fraction thereof over thirty (30) days - an additional 2% for each thirty (30) days or fraction thereof.

SECTION 6. Responsibility:

Indemnification: The **GRANTEE**, by the acceptance or use of the franchise hereby granted, agrees to keep and save free and harmless the **CITY**, its officers, agents or employees against any and all claims, demands of causes of action which may be asserted, prosecuted or established against them or any of them, for damage to persons, or property, of whatsoever nature, arising out of the use by it of the **CITY** streets hereunder or arising out of any of the operations, activities of the **GRANTEE** pursuant to this franchise, whether such damage shall be caused by negligence or otherwise, excepting there from, however, any claim, demand of cause of action, which may be asserted, prosecuted or established against the **CITY** under the provision of the Worker's Compensation Act for injury to, or the death of any claim demand or cause of action arising out the negligent or willful conduct of the **CITY**, its officers, agents and/or employees.

Insurance: On or before any commencement of any franchise operations, the **GRANTEE** shall obtain or provide proof of self—insured status in a form acceptable to the **"CITY'** or satisfactory evidence of having policies of Liability and Worker's Compensation Insurance from companies authorized to transact business in the State of California. Such policies shall include the liability arising out of the existence of real property.

A. The policy of liability insurance shall:

1. Be issued to the **GRANTEE** and shall show the **CITY OF COMPTON,** Los Angeles County—Compton Civic Center Authority, Compton Public Finance Authority, Redevelopment Agency of the **CITY OF COMPTON**, Compton Public Finance Authority, Compton Municipal Water Department, elected officials, officers, agents, employees, members of the board and commissions, as additional insured with respect to liability arising out of the operation or property of the **GRANTEE.** Such insurance and public liability insurance to the full limits, thereof carried by the **GRANTEE**, shall be primary and any insurance available to the **CITY OF COMPTON** shall not be called to contribute to any loss(es) arising out of this franchise.

2. Provide a combined single limit liability coverage in an amount equivalent to not less than **TEN MILLION DOLLARS** ($10,000,000.00) per occurrence.

3. Be non-cancellable without thirty (30) days written notice thereof directed to the Director of Public Works.

4. Indemnify for all liability for personal and bodily injury, death, and damage to property arising from activities conducted pursuant to this franchise by providing coverage therefore, including, but not limited to, coverage for:

(a) Explosion, collapse and underground damage hazards.

(b) Negligent acts or omissions of **GRANTEE** and the agents, servants and employees thereof, committed in the conduct of franchise operations.

B. The policy of Worker's Compensation Insurance shall:

1) Have been previously approved as to substance and form by the California Insurance Commissioner.

2) Cover all employees of the **GRANTEE** who in the course and scope of their employment are to conduct or do work pursuant to the franchise operations.

3) Provide for every benefit and payment presently or hereinafter conferred by Division of the Labor Code of the State of California upon an injured employee, including the vocational rehabilitation and death benefits.

4) Be non—cancellable without thirty (30) days written notice thereof directed to the Director of Public Works **GRANTEE** shall file with the Director of Public Works prior to commencement of any franchise operations either certified copies of said policies or a certificate of insurance for each of the required policies executed by the company issuing the policy, certifying that the policy is in force and providing the following information with respect to said policy:

a. The policy number.

b. The date upon which the policy will become effective and the date upon which it will expire.

c. The names of the named insure and any additional insured.

d. Subject of the insurance.

e. The type of coverage provided by the insurance.

f. Amount of limit of coverage provided by the insurance.

g. A description of all endorsements that form a part of the policy.

C. Such insurance policies shall be maintained by the **GRANTEE** for the life of this franchise, and on the first anniversary of this franchise, and on every one thereafter, **GRANTEE** will provide updated evidence that such insurance is in force. The **CITY** has the right during the terms of this franchise to increase the amount and scope of coverage. The **CITY** covenants that it will not exercise such right in an unreasonable manner.

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

SECTION 7. Assignment:

GRANTEE shall not permit any right or privilege granted by the franchise to be exercised by another, nor shall the franchise or any interest therein or any right or privilege thereunder be in whole or in part sold, transferred, leased, assigned, or disposed of except to a corporation acquiring or owning a portion of the assets of the **GRANTEE** without the consent of the **CITY** expressed by resolution; provided, however, that the provisions of the franchise shall not require any such consent and no consent shall be required for any transfer by **GRANTEE** in trust or by way of mortgage or hypothecation covering all or any part of **GRANTEE'S** property which transfer, mortgage or hypothecation shall be for the purpose of renewing, extending, refunding, retiring, paying or cancelling in whole or in part any such indebtedness at any time or from time to time. Any such sale, lease, assignment, or other disposition of this franchise, whether requiring the consent of the **CITY** or otherwise, shall be evidenced by a duly executed instrument in writing filed in the office of the City Clerk, with a copy sent to the Department of Public Works within thirty (30) days after such sale, lease, assignment or other disposition.

SECTION 8. Faithful Performance Bond:

On or before the effective date of this ordinance, **GRANTEE** shall file and thereafter at all times during the life of the franchise keep on file with the City Clerk, a corporate surety bond approved by the City Attorney payable to the **CITY** in the penal sum of **FIFTY THOUSAND DOLLARS AND NO CENTS ($50,000.00),** with a surety to be approved by the City Attorney, conditioned that **GRANTEE** shall well and truly observe, fulfill and perform each condition of the franchise and that in case of any breach of condition of the bond, the whole amount of the penal sum shall be deemed to be liquidated damages and shall be recoverable from the principal and sureties of the bond. If said bond is not filed prior to the effective date of this ordinance, the award of the franchise may be set aside and this ordinance repealed at any time prior to the filing of said bond and any money paid in consideration for said award of franchise shall be forfeited. In the event that said bond, after it

has been so filed, shall at any time during the life of the franchise become insufficient, **GRANTEE** agrees to renew said bond, subject to the approval of the City Attorney within ten (10) days written notice to do so from the Director of Public Works.

SECTION 9. Acceptance:

This franchise is granted and shall be held and enjoyed only upon the terms and conditions herein contained, and the **GRANTEE** shall, within ten (10) days after the adoption of this ordinance, file with the City Clerk of the City of Compton, a written acceptance of such terms and conditions.

SECTION 10. Affirmative Action:

Throughout the term of the franchise, the **GRANTEE** shall maintain an acceptable Affirmative Action Program, which assures that job applicants are sought and employed and that employees are treated during their employment without regard to their race, color, or national origin or ancestry, sex or religion and shall file documentary evidence thereof within thirty (30) days on written demand thereof by the City Manager.

SECTION 11. Eminent Domain:

No franchise granted by the **CITY** shall in any way impair or affect the right of the **CITY** or of any successor in authority to acquire the property of the **GRANTEE** by purchase or condemnation, and nothing contained in such a franchise shall be construed to contract away, modify or abridge either for a term or in perpetuity the **CITY'S** right of eminent domain in respect to any public utility.

SECTION 12. Favored Nations Clause:

If at any time during the term of this franchise **Grantee** agrees to pay a higher Base Rate to any other municipality for a franchise covering **Grantee's** pipelines within L.A. County by means other than condemnation or court determination (exclusive of a pretrial settlement agreement), **"CITY"** shall receive the same Base Rate beginning on the date that the higher Base Rate was entered into with the other municipality.

SECTION 13. Said franchise is not and shall not be exclusive.

SECTION 14. That any provisions of the Compton Municipal Code or appendices thereto, or any other ordinance of the **CITY** inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 15. That if any section, subsection, sentence, clause or phrase hereof is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this legislation and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that anyone or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 16. That copies of this ordinance shall be forwarded to the offices of the City Manager, City Controller, City Attorney and the Department of Public Works.

SECTION 17. That the Mayor shall sign and the City Clerk shall attest to the adoption of this ordinance.

ADOPTED this 11th day of October, 2011

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 ordinance was duly adopted by the City Council signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the 11th day of October 2011.

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

AYES:	COUNCIL MEMBERS-Dobson, Arceneaux, Jones, Zurita
NOES:	COUNCIL MEMBERS-None
ABSENT:	COUNCIL MEMBERS-Perrodin
ABSTAIN:	COUNCIL MEMBERS-None

CITY CLERK OF THE CITY OF COMPTON

EXHIBIT A

CITY OF COMPTON
FRANCHISE ORDINANCE NO._____

As of_September 8, 2009_____

Street Occupied	Street	Stations	Street	Stations	Length	Dia.	Map No.
Compton	San Antonio	461+13	"City Line"	457+.35	378'	6"	GX145-18
Gibson	Rose	440+34	Myrrh	432+15	819'	6"	GX-145-17
Myrrh	Gibson	432+15	Williams	429+59	256'	6"	GX-145-17
Lime	Alley	411+85	Alondra	408+79	306'	6"	GX-145-16
Alondra	Lime	408+79	Atlantic	405+29	350'	6"	GX-145-15
Atlantic	Alondra	405+29	Greenleaf	378+00	2729'	6"	GX-145-14
Artesia Blvd	Harbor	308+09	Santa Fe	285+88	2221'	6"	GX-145-11
Santa Fe	Artesia	285+88	South of Artesia	283+45	243'	6"	GX-145-11

Footage Total by Diameter 7,302 Feet of 6" Diameter Pipe, Paramount Petroleum Line 145

RESOLUTION NO. 23,388

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING ITS INTENTION TO GRANT A FRANCHISE TO PARAMOUNT PETROLEUM TO OPERATE, REPLACE AND REPAIR PIPELINES AND APPURTENANCES FOR TRANSPORTATION OF REFINED PETROLEUM PRODUCTS AND PUBLISHING NOTICE OF A PUBLIC HEARING THEREON

WHEREAS, Section 1501 of the Compton City Charter authorizes the City to grant franchises to any person, firm or corporation furnishing the City or its inhabitants with transportation, communication, terminal facilities, water, light, heat, power, refrigeration, storage or any other public utility or service, or using the public streets, ways, alleys, or places for the operation of plants, works, or equipment for the furnishing thereof or traversing any portion of the City for the transmitting or conveying of any such service elsewhere may be required by ordinance to have a valid and existing franchise; and

WHEREAS, the use of public streets and ways for the transport of refined petroleum products in pipelines within the jurisdiction of the City requires a franchise as contemplated by Section 1501 of the Compton City Charter; and

WHEREAS, Ordinance No. 1,858 granted a twenty (20) year franchise to GATX Terminals Corporation to operate, maintain, replace and repair certain pipelines and appurtenances for the transportation of refined petroleum oil in the City of Compton (GATX Terminals Corporation, the Grantee, was acquired by Paramount Petroleum in 2002); and

WHEREAS, the term of the franchise granted by Ordinance No. 1,858 expired on April 10, 2006 and Paramount Petroleum desires to enter into another franchise agreement; and

WHEREAS, the City desires to hold a public hearing pursuant to Section 1502 of the Compton City Charter on **Tuesday, September 27, 2011 at 5:50 p.m.** to receive public comments on the proposed granting of a twenty (20) year petroleum pipeline franchise (April 10, 2006 through April 10, 2026) to Paramount Petroleum.

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 declares its intention to grant a twenty (20) year franchise (April 10, 2006 through April 10, 2026) to Paramount Petroleum to operate, replace and repair certain pipelines and appurtenances situated within the jurisdiction of the City of Compton for the transportation of refined petroleum products.

Section 2. That a public hearing regarding the granting of a pipeline franchise to Paramount Petroleum is set for **Tuesday, September 27, 2011 at 5:50 p.m.** in the City Council Chambers at 205 South Willowbrook Avenue, Compton, California.

Section 3. That persons having interest in or any objections to the granting thereof may appear before the City Council and be heard thereon.

Section 4. That it is the intention of said City Council to grant said Paramount Petroleum, said franchise for the purpose aforesaid said franchise to be upon the following terms, provisions and conditions.

Item 1. Nature and Extent of Grant:

The **CITY OF COMPTON** hereinafter also referred to as **"CITY"**, herewith grants to **PARAMOUNT PETROLEUM**, its successors and assigns, hereinafter referred to as **"GRANTEE"**, subject to the terms and conditions herein contained, the right, privilege and franchise to operate, maintain, replace, and repair the existing pipeline for the purpose of transporting refined petroleum products. The pipeline is currently located in certain public streets, located in the **"CITY"**, described in the attached Exhibit "A".

Item 2. Duration of Franchise:

The Franchise shall be effective on April 10, 2006. The term of this franchise shall be for twenty (20) years, terminating on April 10, 2026. The **"CITY"** reserves the right to limit this franchise prior to its expiration in the event:

A. GRANTEE fails to comply with any of the provisions hereof; provided, however, that if such failure to comply shall be due to a cause beyond the control of the **GRANTEE,** the franchise shall not be so terminated; and provided further that this franchise shall not be so terminated unless the **GRANTEE** is given written notice of such noncompliance and fails within ninety (90) days of the date of such notice to commence and thereafter diligently prosecute to completion the corrective action necessary to cure such noncompliance. Notwithstanding the foregoing, if **GRANTEE'S** noncompliance is of such kind or nature as to cause a hazard to the public or endanger the public peace, health safety or general welfare, the **CITY'S** Director of Public Works may so notify the **GRANTEE** and reduce the period during which **GRANTEE** shall commence the work necessary to correct such noncompliance. In the event the **GRANTEE** fails to commence the corrective action within the time specified, as an alternative to terminating this franchise, the **CITY** may do the corrective work at the **GRANTEE'S** expense.

B. Any provision herein becomes invalid or unenforceable and the **CITY** expressly finds that such provisions constitute a consideration material to the granting of this franchise, then this franchise may be terminated by the **CITY** on ten (10) days written notice.

Item 3. Pipeline Operations:

A. Applicable Rules: The **GRANTEE** agrees to operate, maintain, replace and repair the pipelines and appurtenances in a good workmanlike manner, and in conformity with all regulations now or hereafter adopted by the State Fire Marshal.

B. Repairs and Street Excavations:

1. The work of maintaining or repairing all pipelines and appurtenances covered by this franchise shall be conducted with the least possible hindrance to the use of the streets such facilities occupy for the purpose of travel.

2. The **GRANTEE** shall have the right to make all necessary street excavations for the purpose of exercising the rights granted by this franchise, but nothing herein contained shall relieve the **GRANTEE** from the provisions of any **CITY** ordinance or law that may be in force at the time requiring that permits be obtained for street excavations before such work is commenced.

All excavations shall be made and back-filled in strict compliance with all **CITY** ordinances that may be in effect at the time of the performance of the work and shall be made as not to interfere unreasonably with the free use of the streets by the public.

Upon completion of the work for which street excavations are made, all portions of the streets which have been excavated or otherwise damaged by such excavation work shall be restored to their original condition or equivalent to the satisfaction of the Director of Public Works.

C. Cleanup of Breaks and Leaks: If any portion of any street shall be damaged by reason of breaks or leaks in any pipeline or appurtenance maintained or repaired under this franchise, or if any street, sidewalk, sewer, storm drain waterline, or other facility be contaminated by any substance transported in said pipelines, the **GRANTEE** shall at its own expense immediately repair or clean up or cause to be repaired or cleaned up, any such damage or contamination and put such street, sidewalk, sewer, storm drain, waterline or other facility in a good condition as it was before such break or leak to the satisfaction of the Director of Public Works. Such cleanups shall be accomplished in a timely manner, with as little public disruption as possible. Such emergency repair of franchise property may be commenced without prior permit; provided however, that the **GRANTEE** no later than the next normal working day shall notify by telephone, the Director of Public Works of any such work and shall within the next seven (7) calendar days apply for an excavation permit authorizing such emergency work.

D. Emergency Crews and Equipment: At all times during the term of this franchise, the **GRANTEE** shall maintain on a twenty-four (24) hour basis, personnel to operate the pipeline system, including monitoring the leak detection system and the communications equipment. In addition, during the term of this franchise, the **GRANTEE** shall maintain on a twenty-four (24) hour basis, adequate standby equipment and properly trained emergency standby crews, within a radius of twenty-five (25) miles from any facilities maintained pursuant hereto, for the purpose of implementing emergency response, such as, shutting off the pressure and the flow of contents of such facilities, repairs, oil-spill cleanup, preventing or minimizing damage or the threat of any damage to people or the environment in the event of an emergency resulting from an earthquake, act of war, civil disturbance, flood, fire, leakage or other cause.

E. Changes Required by Public Improvements: Whenever, during the existence of this franchise, the **CITY** shall change the grade, width, or location of any street in any manner, including the laying of sewer, storm drain, conduits, gas, water or other pipes owned or operated by the **CITY** or any other public agency, under the jurisdiction of the **CITY**, or construct any pedestrian tunnels, or other work of the **CITY** (the right to do all of which is specifically reserved to the **CITY** without any admission on its part that it would not otherwise have such rights) and such work shall, in the opinion of the Director of Public Works, render necessary any change in the position or location of any facilities of the **GRANTEE** in the street, the **GRANTEE** shall, at its sole cost and expense begin and thereafter diligently perform the necessary work to completion, in conformity with the written notice of the Director of Public Works as provided hereinafter. However, the **CITY** shall not require any relocation or modification which will have the effect of depriving the **GRANTEE** of a continuous and contiguous pipeline right-of-way. Except as provided herein before in this Section, when such rearrangement is done for the accommodation of any person, firm or corporation, the cost of such rearrangement shall be borne by the accommodated party. Such accommodated party in advance of such arrangement, shall: (1) deposit with the **GRANTEE** either cash or a corporate surety bond in an amount, as in the reasonable discretion of the **GRANTEE** shall be required to pay the costs of such rearrangement; and (2) shall execute an instrument agreeing to indemnify and hold harmless the **GRANTEE** from any and all damages caused by such rearrangement.

Nothing contained in this franchise shall be construed to require the **CITY** to move, alter or relocate any of its facilities upon said streets, at its own expense, for the convenience accommodation or necessity of any other public utility, person, firm or corporation, or to require the **CITY** or any person, firm or corporation now or hereafter

owning a public utility system of any type or nature, to move, alter or relocate any part of its system upon said streets for the convenience, accommodation or necessity of the **GRANTEE**.

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

F. Abandoned or Removal of Franchise Property: At the expiration, renovation or termination of this franchise or of the permanent discontinuance of the use of its facilities or any portion thereof, the **GRANTEE** shall, within thirty (30) days thereafter, make a written application to the Director of Public Works for authority (as determined by the **GRANTEE** either: (1) to abandon all, or a portion, of such facilities in place; or (2) to remove all, or a portion of such facilities. Such application shall describe the facilities desired to be abandoned or removed by reference to the map or maps required hereinafter and shall also describe with reasonable accuracy the relative physical condition of such facilities. The Director of Public Works shall determine whether such abandonment or removal which is thereby proposed may be effected without detriment to the public interest or under what conditions such proposed abandonment or removal may be safety affected. He shall then notify the **GRANTEE**, and according to such requirements as shall be specified in the Public Works Director's order, the **GRANTEE** shall, within ninety (90) days thereafter, either:

1. Remove all or a portion of such facilities; or

2. Abandon in place all or a portion of such facilities, as set forth in the Public Director's order.

If any facilities to be abandoned in place subject to prescribed conditions shall not be abandoned in accordance with all such conditions, then the Director of Public Works may take additional appropriate steps, including, if he deems desirable, an order that the **GRANTEE** shall remove all such facilities in accordance with applicable requirements. In the event the **GRANTEE** shall fail to remove any facilities which it is obligated to remove in accordance with such applicable requirements within such time as may be prescribed by the Director of Public Works, then the **CITY** may remove or cause to be removed such facilities at the **GRANTEE'S** expense and the **GRANTEE** shall pay to the **CITY** the actual cost thereof, plus the current rate of overhead being charged by the **CITY** for reimbursable work.

G. Suspension of Operations: If, for any reason, the **GRANTEE** suspends operations of any pipeline contained in the franchise for a period in excess of ninety (90) days, he shall notify the Director of Public Works. During this period of suspended operations, the **GRANTEE** shall maintain his normal pipeline surveillance and all cathodic protection systems to insure pipeline integrity. This shall continue until such a time as the line is returned to service or abandoned in accordance with provisions mentioned hereinbefore.

Item 4. Maps and Records:

Within ninety (90) days following the date on which the pipeline has been relocated under this franchise, **GRANTEE** shall file as-built drawings and maps in such form as may be required by the City Engineer, the location, length and size of all of its facilities then in place; and shall, upon installation of any additional facilities, or upon

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

Item 5. Compensation to the City:

Upon the adoption of the subject franchise ordinance, the **GRANTEE** shall pay to the **CITY**, the sum of Seventy-Eight Thousand Four Hundred Thirty Dollars and Six Cents ($78,430.06) configured as follows:

1. The franchise fees and penalties in the amount Seventy-Eight Thousand Nine Hundred Twenty One Dollars and Eleven Cents ($78,921.11) for the period from April 10, 2006 to April 10, 2011.

2. An expense reimbursement fee in the amount of Twenty Thousand Dollars and No Cents ($20,000.00).

Subsequently, as further consideration for the franchise herewith granted, the **GRANTEE** shall pay to **CITY** annually on each anniversary of the effective date of the ordinance during the term of this franchise, a base annual rate the amount of Thirty-Five and Two-Tenths Cents ($.352) per lineal foot of pipe for pipeline with an internal diameter of (6) inches, or the sum of Nine Thousand Three Hundred Twelve Dollars and Eighty-Four Cents ($9,312.84), whichever is greater increased annually on each anniversary of the effective date of this franchise in proportion to the increase (if any) in the Consumer Price Index, All Urban Consumers, Los Angeles-Riverside-Orange County, CA, "All Items" prepared by the United States Bureau of Labor Statistics, Department of Labor, for the month which is three months prior to the anniversary date of this ordinance, and the month in which such anniversary date falls, but in no event shall any annual payment be less than the preceding annual payment. If said Bureau shall revise said Index, the parties shall accept the method of revision or conversion recommended by said Bureau, and if said Index shall be discontinued with no recommend substitute, then the amount of each annual payment shall be equal to the amount of the last annual payment paid prior to said discontinuance.

Notwithstanding the provision of this Item 5, the **GRANTEE** shall be liable to pay the **CITY** the annual fee for the period to and including the date of either actual removal of the facilities or the effective date of a properly approved abandonment "in place' authorized by the **CITY**, and until the **GRANTEE** shall have fully complied with all the provisions of the law or ordinances relative to such abandonments.

In the event of partial abandonment of facilities with the approval of the **CITY** as elsewhere herein provided, or in the event of partial removal of such facilities by the **GRANTEE**, the payment otherwise due the **CITY** for occupancy of the streets by such facilities shall be prorated beginning the first day of the next succeeding franchise year; and for each franchise year thereafter, at the prorated amount per each linear foot of pipeline abandoned or removed; provided, however, that the said base rate shall be modified to reflect the Price Index adjustment (as provided hereinbefore) applicable to such abandoned or removed pipeline at the beginning of the next succeeding franchise year following abandonment or removal.

All annual payments shall be paid, without deduction or offset to the office of the City Controller at 205 South Willowbrook Avenue, Compton, California, 90220, or at such place as the **CITY** shall from time to time designate in writing. In the event any payment required hereunder is late, the following schedule of late charges shall be applicable to that portion which is overdue.

a. Late ten (10) days but under thirty (30) days - 2% of the amount due; plus

b. For each additional thirty (30) days or fraction thereof over thirty (30) days - an additional 2% for each thirty (30) days or fraction thereof.

Item 6. Responsibility:

Indemnification: The **GRANTEE**, by the acceptance or use of the franchise hereby granted, agrees to keep and save free and harmless the **CITY**, its officers, agents or employees against any and all claims, demands of causes of action which may be asserted, prosecuted or established against them or any of them, for damage to persons, or property, of whatsoever nature, arising out of the use by it of the **CITY** streets hereunder or arising out of any of the operations, activities of the **GRANTEE** pursuant to this franchise, whether such damage shall be caused by negligence or otherwise, excepting there from, however, any claim, demand or cause of action, which may be asserted, prosecuted or established against the **CITY** for the negligence or willful conduct of the **CITY**, its officers, agents and/or employees.

Insurance: On or before any commencement of any franchise operations, the **GRANTEE** shall obtain and maintain throughout the term of the franchise or provide proof of self-insured status in a form acceptable to the **CITY** policies of Liability and Worker's Compensation Insurance from companies authorized to transact business in the State of California. Such policies shall include the liability arising out of the existence of real property.

A. The policy of liability insurance shall:

1. Be issued to the **GRANTEE** and name the City of Compton, Los Angeles County-Compton Civic Center Authority, Compton Public Finance Authority, Redevelopment Agency of the City of Compton, Compton Public Finance Authority, Compton Municipal Water Department, elected officials, officers, agents, employees, members of the board and commissions, as additional insured with respect to liability arising out of the operation or property of the **GRANTEE.** Such insurance and public liability insurance to the full limits, thereof carried by the **GRANTEE**, shall be primary and any insurance available to the **CITY** shall not be called to contribute to any losses arising out of this franchise.

2. Provide a combined single limit liability coverage in an amount equivalent to not less than **TEN MILLION DOLLARS** ($10,000,000.00) per occurrence.

3. Be non-cancellable without thirty (30) days written notice thereof to the Director of Public Works and the Risk Manager.

4. Indemnify for all liability for personal and bodily injury, death, and damage to property arising from activities conducted pursuant to this franchise by providing coverage therefore, including, but not limited to, coverage for:

(a) Explosion, collapse and underground damage hazards.

(b) Negligent acts or omissions of **GRANTEE** and the agents, servants and employees thereof, committed in the conduct of franchise operations.

B. The policy of Worker's Compensation Insurance shall:

1. Have been previously approved as to substance and form by the California Insurance Commissioner.

2. Cover all employees of the **GRANTEE** who in the course and scope of their employment are to conduct or do work pursuant to the franchise operations.

3. Provide for every benefit and payment presently or hereinafter conferred by Division of the Labor Code of the State of California upon an injured employee, including the vocational rehabilitation and death benefits.

4. Be non-cancellable without thirty (30) days written notice thereof to the Director of Public Works and the Risk Manager.

C. GRANTEE shall file with the Director of Public Works prior to commencement of any franchise operations either certified copies of said policies or a certificate of insurance for each of the required policies executed by the company issuing the policy, certifying that the policy is in force and providing the following information with respect to said policy:

1. The policy number.

2. The date upon which the policy will become effective and the date upon which it will expire.

3. The names of the named insure and any additional insured.

4. Subject of the insurance.

5. The type of coverage provided by the insurance.

6. Amount of limit of coverage provided by the insurance.

7. A description of all endorsements that form a part of the policy.

D. Such insurance policies shall be maintained by the **GRANTEE** for the life of this franchise and on the first anniversary of this franchise, and on every one thereafter, **GRANTEE** will provide updated evidence that such insurance is in force. The **CITY** has the right during the terms of this franchise to increase the amount and scope of coverage. The **CITY** covenants that it will not exercise such right in an unreasonable manner.

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

Item 7. Assignment:

GRANTEE shall not permit any right or privilege granted by the franchise to be exercised by another, nor shall the franchise or any interest therein or any right or privilege thereunder be in whole or in part sold, transferred, leased, assigned, or disposed of except to a corporation acquiring or owning a portion of the assets of the **GRANTEE** without the consent of the **CITY** expressed by ordinance or resolution, as may be required;

provided, however, that the provisions of the franchise shall not require any such consent and no consent shall be required for any transfer by **GRANTEE** in trust or by way of mortgage or hypothecation covering all or any part of **GRANTEE'S** property which transfer, mortgage or hypothecation shall be for the purpose of renewing, extending, refunding, retiring, paying or cancelling in whole or in part any such indebtedness at any time or from time to time. Any such sale, lease, assignment, or other disposition of this franchise, whether requiring the consent of the **CITY** or otherwise, shall be evidenced by a duly executed instrument in writing filed in the office of the City Clerk, with a copy sent to the Department of Public Works within thirty (30) days after such sale, lease, assignment or other disposition.

Item 8. Faithful Performance Bond:

On or before the effective date of the ordinance granting the franchise, **GRANTEE** shall file and thereafter at all times during the life of the franchise keep on file with the City Clerk, a corporate surety bond approved by the City Attorney payable to the **CITY** in the penal sum of **FIFTY THOUSAND DOLLARS AND NO CENTS ($50,000.00),** with a surety to be approved by the City Attorney, conditioned that **GRANTEE** shall well and truly observe, fulfill and perform each condition of the franchise and that in case of any breach of condition of the bond, the whole amount of the penal sum shall be deemed to be liquidated damages and shall be recoverable from the principal and sureties of the bond. If said bond is not filed prior to the effective date of the ordinance granting the franchise, the award of the franchise may be set aside and the ordinance granting the franchise repealed at any time prior to the filing of said bond and any money paid in consideration for said award of franchise shall be forfeited. In the event that said bond, after it has been so filed, shall at any time during the life of the franchise become insufficient, **GRANTEE** agrees to renew said bond, subject to the approval of the City Attorney within ten (10) days written notice to do so from the Director of Public Works.

Item 9. Acceptance:

This franchise is granted and shall be held and enjoyed only upon the terms and conditions herein contained, and the **GRANTEE** shall, within ten (10) days after the adoption of the ordinance granting said franchise, file with the City Clerk of the City of Compton, a written acceptance of such terms and conditions.

Item 10. Affirmative Action:

Throughout the term of the franchise, the **GRANTEE** shall maintain an acceptable Affirmative Action Program, which assures that job applicants are sought and employed and that employees are treated during their employment without regard to their race, color, or national origin or ancestry, sex or religion and shall file documentary evidence thereof within thirty (30) days on written demand thereof by the City Manager.

Item 11. Eminent Domain:

No franchise granted by the **CITY** shall in any way impair or affect the right of the **CITY** or of any successor in authority to acquire the property of the **GRANTEE** by purchase or condemnation, and nothing contained in such a franchise shall be construed to contract away, modify or abridge either for a term or in perpetuity the **CITY'S** right of eminent domain in respect to any public utility.

Item 12. Favored Nations Clause:

If at any time during the term of this franchise **GRANTEE** agrees to pay a

higher Base Rate to any other municipality for a franchise covering **GRANTEE's** pipelines within L.A. County by means other than condemnation or court determination (exclusive of a pretrial settlement agreement), **CITY** shall receive the same Base Rate beginning on the date that the higher Base Rate was entered into with the other municipality.

Item 13. Said franchise is not and shall not be exclusive.

Section 5. That any provisions of the Compton Municipal Code or appendices thereto, or any other ordinance of the **CITY** inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

Section 6. That if any section, subsection, sentence, clause or phrase hereof is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this legislation and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that anyone or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 7. That copies of this resolution shall be forwarded to the offices of the City Manager, City Controller, City Attorney and the Department of Public Works.

Section 8. That the City Clerk shall publish resolution pursuant to Compton City Charter Section 1502.

Section 9. That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this 6th day of September, 2011.

Eric J. Perodin

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY OF COMPTON INCORPORATED MAY 11 1888

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 duly adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the 6th day of September 2011.

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

AYES:	**COUNCIL MEMBERS-**	Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES:	**COUNCIL MEMBERS-**	None
ABSENT:	**COUNCIL MEMBERS-**	None
ABSTAIN:	**COUNCIL MEMBERS-**	None

CITY CLERK OF THE CITY OF COMPTON

EXHIBIT A

CITY OF COMPTON
FRANCHISE ORDINANCE NO._____

As of September 8, 2009_____

Street Occupied	Street	Stations	Street	Stations	Length	Dia.	Map No.
Compton	San Antonio	461+13	"City Line"	457+.35	378'	6"	GX145-18
Gibson	Rose	440+34	Myrrh	432+15	819'	6"	GX-145-17
Myrrh	Gibson	432+15	Williams	429+59	256'	6"	GX-145-17
Lime	Alley	411+85	Alondra	408+79	306'	6"	GX-145-16
Alondra	Lime	408+79	Atlantic	405+29	350'	6"	GX-145-15
Atlantic	Alondra	405+29	Greenleaf	378+00	2729'	6"	GX-145-14
Artesia Blvd	Harbor	308+09	Santa Fe	285+88	2221'	6"	GX-145-11
Santa Fe	Artesia	285+88	South of Artesia	283+45	243'	6"	GX-145-11

Footage Total by Diameter 7,302 Feet of 6" Diameter Pipe, Paramount Petroleum Line 145

RESOLUTION NO. 23,363

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING ITS INTENTION TO GRANT A FRANCHISE TO PARAMOUNT PETROLEUM TO OPERATE, REPLACE AND REPAIR PIPELINES AND APPURTENANCES FOR TRANSPORTATION OF REFINED PETROLEUM PRODUCTS AND PUBLISHING NOTICE OF A PUBLIC HEARING THEREON

WHEREAS, Section 1501 of the Compton City Charter authorizes the City to grant franchises to any person, firm or corporation furnishing the City or its inhabitants with transportation, communication, terminal facilities, water, light, heat, power, refrigeration, storage or any other public utility or service, or using the public streets, ways, alleys, or places for the operation of plants, works, or equipment for the furnishing thereof or traversing any portion of the City for the transmitting or conveying of any such service elsewhere may be required by ordinance to have a valid and existing franchise; and

WHEREAS, the use of public streets and ways for the transport of refined petroleum products in pipelines within the jurisdiction of the City requires a franchise as contemplated by Section 1501 of the Compton City Charter; and

WHEREAS, Ordinance No. 1,858 granted a twenty (20) year franchise to GATX Terminals Corporation to operate, maintain, replace and repair certain pipelines and appurtenances for the transportation of refined petroleum oil in the City of Compton (GATX Terminals Corporation, the Grantee, was acquired by Paramount Petroleum in 2002); and

WHEREAS, the term of the franchise granted by Ordinance No. 1,858 expired on April 10, 2006 and Paramount Petroleum desires to enter into another franchise agreement; and

WHEREAS, the City desires to hold a public hearing pursuant to Section 1502 of the Compton City Charter on **Tuesday, September 6, 2011 at 5:50 p.m.** to receive public comments on the proposed granting of a twenty (20) year petroleum pipeline franchise (April 10, 2006 through April 10, 2026) to Paramount Petroleum.

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 declares its intention to grant a twenty (20) year franchise (April 10, 2006 through April 10, 2026) to Paramount Petroleum to operate, replace and repair certain pipelines and appurtenances situated within the jurisdiction of the City of Compton for the transportation of refined petroleum products.

Section 2. That a public hearing regarding the granting of a pipeline franchise to Paramount Petroleum is set for **Tuesday, September 6, 2011 at 5:50 p.m.** in the City Council Chambers at 205 South Willowbrook Avenue, Compton, California.

Section 3. That persons having interest in or any objections to the granting thereof may appear before the City Council and be heard thereon.

Section 4. That it is the intention of said City Council to grant said Paramount Petroleum, said franchise for the purpose aforesaid said franchise to be upon the following terms, provisions and conditions.

Item 1. Nature and Extent of Grant:

The **CITY OF COMPTON** hereinafter also referred to as **"CITY"**, herewith grants to **PARAMOUNT PETROLEUM**, its successors and assigns, hereinafter referred to as **"GRANTEE"**, subject to the terms and conditions herein contained, the right, privilege and franchise to operate, maintain, replace, and repair the existing pipeline for the purpose of transporting refined petroleum products. The pipeline is currently located in certain public streets, located in the **"CITY"**, described in the attached Exhibit "A".

Item 2. Duration of Franchise:

The Franchise shall be effective on April 10, 2006. The term of this franchise shall be for twenty (20) years, terminating on April 10, 2026. The **"CITY"** reserves the right to limit this franchise prior to its expiration in the event:

A. GRANTEE fails to comply with any of the provisions hereof; provided, however, that if such failure to comply shall be due to a cause beyond the control of the **GRANTEE,** the franchise shall not be so terminated; and provided further that this franchise shall not be so terminated unless the **GRANTEE** is given written notice of such noncompliance and fails within ninety (90) days of the date of such notice to commence and thereafter diligently prosecute to completion the corrective action necessary to cure such noncompliance. Notwithstanding the foregoing, if **GRANTEE'S** noncompliance is of such kind or nature as to cause a hazard to the public or endanger the public peace, health safety or general welfare, the **CITY'S** Director of Public Works may so notify the **GRANTEE** and reduce the period during which **GRANTEE** shall commence the work necessary to correct such noncompliance. In the event the **GRANTEE** fails to commence the corrective action within the time specified, as an alternative to terminating this franchise, the **CITY** may do the corrective work at the **GRANTEE'S** expense.

B. Any provision herein becomes invalid or unenforceable and the **CITY** expressly finds that such provisions constitute a consideration material to the granting of this franchise, then this franchise may be terminated by the **CITY** on ten (10) days written notice.

Item 3. Pipeline Operations:

A. Applicable Rules: The **GRANTEE** agrees to operate, maintain, replace and repair the pipelines and appurtenances in a good workmanlike manner, and in conformity with all regulations now or hereafter adopted by the State Fire Marshal.

B. Repairs and Street Excavations:

1. The work of maintaining or repairing all pipelines and appurtenances covered by this franchise shall be conducted with the least possible hindrance to the use of the streets such facilities occupy for the purpose of travel.

2. The **GRANTEE** shall have the right to make all necessary street excavations for the purpose of exercising the rights granted by this franchise, but nothing herein contained shall relieve the **GRANTEE** from the provisions of any **CITY** ordinance or law that may be in force at the time requiring that permits be obtained for street excavations before such work is commenced.

All excavations shall be made and back-filled in strict compliance with all **CITY** ordinances that may be in effect at the time of the performance of the work and shall be made as not to interfere unreasonably with the free use of the streets by the public.

Upon completion of the work for which street excavations are made, all portions of the streets which have been excavated or otherwise damaged by such excavation work shall be restored to their original condition or equivalent to the satisfaction of the Director of Public Works.

C. Cleanup of Breaks and Leaks: If any portion of any street shall be damaged by reason of breaks or leaks in any pipeline or appurtenance maintained or repaired under this franchise, or if any street, sidewalk, sewer, storm drain waterline, or other facility be contaminated by any substance transported in said pipelines, the **GRANTEE** shall at its own expense immediately repair or clean up or cause to be repaired or cleaned up, any such damage or contamination and put such street, sidewalk, sewer, storm drain, waterline or other facility in a good condition as it was before such break or leak to the satisfaction of the Director of Public Works. Such cleanups shall be accomplished in a timely manner, with as little public disruption as possible. Such emergency repair of franchise property may be commenced without prior permit; provided however, that the **GRANTEE** no later than the next normal working day shall notify by telephone, the Director of Public Works of any such work and shall within the next seven (7) calendar days apply for an excavation permit authorizing such emergency work.

D. Emergency Crews and Equipment: At all times during the term of this franchise, the **GRANTEE** shall maintain on a twenty-four (24) hour basis, personnel to operate the pipeline system, including monitoring the leak detection system and the communications equipment. In addition, during the term of this franchise, the **GRANTEE** shall maintain on a twenty-four (24) hour basis, adequate standby equipment and properly trained emergency standby crews, within a radius of twenty-five (25) miles from any facilities maintained pursuant hereto, for the purpose of implementing emergency response, such as, shutting off the pressure and the flow of contents of such facilities, repairs, oil-spill cleanup, preventing or minimizing damage or the threat of any damage to people or the environment in the event of an emergency resulting from an earthquake, act of war, civil disturbance, flood, fire, leakage or other cause.

E. Changes Required by Public Improvements: Whenever, during the existence of this franchise, the **CITY** shall change the grade, width, or location of any street in any manner, including the laying of sewer, storm drain, conduits, gas, water or other pipes owned or operated by the **CITY** or any other public agency, under the jurisdiction of the **CITY**, or construct any pedestrian tunnels, or other work of the **CITY** (the right to do all of which is specifically reserved to the **CITY** without any admission on its part that it would not otherwise have such rights) and such work shall, in the opinion of the Director of Public Works, render necessary any change in the position or location of any facilities of the **GRANTEE** in the street, the **GRANTEE** shall, at its sole cost and expense begin and thereafter diligently perform the necessary work to completion, in conformity with the written notice of the Director of Public Works as provided hereinafter. However, the **CITY** shall not require any relocation or modification which will have the effect of depriving the **GRANTEE** of a continuous and contiguous pipeline right-of-way. Except as provided herein before in this Section, when such rearrangement is done for the accommodation of any person, firm or corporation, the cost of such rearrangement shall be borne by the accommodated party. Such accommodated party in advance of such arrangement, shall: (1) deposit with the **GRANTEE** either cash or a corporate surety bond in an amount, as in the reasonable discretion of the **GRANTEE** shall be required to pay the costs of such rearrangement; and (2) shall execute an instrument agreeing to indemnify and hold harmless the **GRANTEE** from any and all damages caused by such rearrangement.

Nothing contained in this franchise shall be construed to require the **CITY** to move, alter or relocate any of its facilities upon said streets, at its own expense, for the convenience accommodation or necessity of any other public utility, person, firm or corporation, or to require the **CITY** or any person, firm or corporation now or hereafter

owning a public utility system of any type or nature, to move, alter or relocate any part of its system upon said streets for the convenience, accommodation or necessity of the **GRANTEE**.

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

F. Abandoned or Removal of Franchise Property: At the expiration, renovation or termination of this franchise or of the permanent discontinuance of the use of its facilities or any portion thereof, the **GRANTEE** shall, within thirty (30) days thereafter, make a written application to the Director of Public Works for authority (as determined by the **GRANTEE** either: (1) to abandon all, or a portion, of such facilities in place; or (2) to remove all, or a portion of such facilities. Such application shall describe the facilities desired to be abandoned or removed by reference to the map or maps required hereinafter and shall also describe with reasonable accuracy the relative physical condition of such facilities. The Director of Public Works shall determine whether such abandonment or removal which is thereby proposed may be effected without detriment to the public interest or under what conditions such proposed abandonment or removal may be safety affected. He shall then notify the **GRANTEE**, and according to such requirements as shall be specified in the Public Works Director's order, the **GRANTEE** shall, within ninety (90) days thereafter, either:

1. Remove all or a portion of such facilities; or

2. Abandon in place all or a portion of such facilities, as set forth in the Public Director's order.

If any facilities to be abandoned in place subject to prescribed conditions shall not be abandoned in accordance with all such conditions, then the Director of Public Works may take additional appropriate steps, including, if he deems desirable, an order that the **GRANTEE** shall remove all such facilities in accordance with applicable requirements. In the event the **GRANTEE** shall fail to remove any facilities which it is obligated to remove in accordance with such applicable requirements within such time as may be prescribed by the Director of Public Works, then the **CITY** may remove or cause to be removed such facilities at the **GRANTEE'S** expense and the **GRANTEE** shall pay to the **CITY** the actual cost thereof, plus the current rate of overhead being charged by the **CITY** for reimbursable work.

G. Suspension of Operations: If, for any reason, the **GRANTEE** suspends operations of any pipeline contained in the franchise for a period in excess of ninety (90) days, he shall notify the Director of Public Works. During this period of suspended operations, the **GRANTEE** shall maintain his normal pipeline surveillance and all cathodic protection systems to insure pipeline integrity. This shall continue until such a time as the line is returned to service or abandoned in accordance with provisions mentioned hereinbefore.

Item 4. Maps and Records:

Within ninety (90) days following the date on which the pipeline has been relocated under this franchise, **GRANTEE** shall file as-built drawings and maps in such form as may be required by the City Engineer, the location, length and size of all of its facilities then in place; and shall, upon installation of any additional facilities, or upon

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

Item 5. Compensation to the City:

Upon the adoption of the subject franchise ordinance, the **GRANTEE** shall pay to the **CITY**, the sum of Seventy-Eight Thousand Four Hundred Thirty Dollars and Six Cents ($78,430.06) configured as follows:

1. The franchise fees and penalties in the amount Seventy-Eight Thousand Nine Hundred Twenty One Dollars and Eleven Cents ($78,921.11) for the period from April 10, 2006 to April 10, 2011.

2. An expense reimbursement fee in the amount of Twenty Thousand Dollars and No Cents ($20,000.00).

Subsequently, as further consideration for the franchise herewith granted, the **GRANTEE** shall pay to **CITY** annually on each anniversary of the effective date of the ordinance during the term of this franchise, a base annual rate the amount of Thirty-Five and Two-Tenths Cents ($.352) per lineal foot of pipe for pipeline with an internal diameter of (6) inches, or the sum of Nine Thousand Three Hundred Twelve Dollars and Eighty-Four Cents ($9,312.84), whichever is greater increased annually on each anniversary of the effective date of this franchise in proportion to the increase (if any) in the Consumer Price Index, All Urban Consumers, Los Angeles-Riverside-Orange County, CA, "All Items" prepared by the United States Bureau of Labor Statistics, Department of Labor, for the month which is three months prior to the anniversary date of this ordinance, and the month in which such anniversary date falls, but in no event shall any annual payment be less than the preceding annual payment. If said Bureau shall revise said Index, the parties shall accept the method of revision or conversion recommended by said Bureau, and if said Index shall be discontinued with no recommend substitute, then the amount of each annual payment shall be equal to the amount of the last annual payment paid prior to said discontinuance.

Notwithstanding the provision of this Item 5, the **GRANTEE** shall be liable to pay the **CITY** the annual fee for the period to and including the date of either actual removal of the facilities or the effective date of a properly approved abandonment "in place' authorized by the **CITY**, and until the **GRANTEE** shall have fully complied with all the provisions of the law or ordinances relative to such abandonments.

In the event of partial abandonment of facilities with the approval of the **CITY** as elsewhere herein provided, or in the event of partial removal of such facilities by the **GRANTEE**, the payment otherwise due the **CITY** for occupancy of the streets by such facilities shall be prorated beginning the first day of the next succeeding franchise year; and for each franchise year thereafter, at the prorated amount per each linear foot of pipeline abandoned or removed; provided, however, that the said base rate shall be modified to reflect the Price Index adjustment (as provided hereinbefore) applicable to such abandoned or removed pipeline at the beginning of the next succeeding franchise year following abandonment or removal.

All annual payments shall be paid, without deduction or offset to the office of the City Controller at 205 South Willowbrook Avenue, Compton, California, 90220, or at such place as the **CITY** shall from time to time designate in writing. In the event any payment required hereunder is late, the following schedule of late charges shall be applicable to that portion which is overdue.

a. Late ten (10) days but under thirty (30) days - 2% of the amount due; plus

b. For each additional thirty (30) days or fraction thereof over thirty (30) days - an additional 2% for each thirty (30) days or fraction thereof.

Item 6. Responsibility:

Indemnification: The **GRANTEE**, by the acceptance or use of the franchise hereby granted, agrees to keep and save free and harmless the **CITY**, its officers, agents or employees against any and all claims, demands of causes of action which may be asserted, prosecuted or established against them or any of them, for damage to persons, or property, of whatsoever nature, arising out of the use by it of the **CITY** streets hereunder or arising out of any of the operations, activities of the **GRANTEE** pursuant to this franchise, whether such damage shall be caused by negligence or otherwise, excepting there from, however, any claim, demand or cause of action, which may be asserted, prosecuted or established against the **CITY** for the negligence or willful conduct of the **CITY**, its officers, agents and/or employees.

Insurance: On or before any commencement of any franchise operations, the **GRANTEE** shall obtain and maintain throughout the term of the franchise or provide proof of self-insured status in a form acceptable to the **CITY** policies of Liability and Worker's Compensation Insurance from companies authorized to transact business in the State of California. Such policies shall include the liability arising out of the existence of real property.

A. The policy of liability insurance shall:

1. Be issued to the **GRANTEE** and name the City of Compton, Los Angeles County-Compton Civic Center Authority, Compton Public Finance Authority, Redevelopment Agency of the City of Compton, Compton Public Finance Authority, Compton Municipal Water Department, elected officials, officers, agents, employees, members of the board and commissions, as additional insured with respect to liability arising out of the operation or property of the **GRANTEE.** Such insurance and public liability insurance to the full limits, thereof carried by the **GRANTEE**, shall be primary and any insurance available to the **CITY** shall not be called to contribute to any losses arising out of this franchise.

2. Provide a combined single limit liability coverage in an amount equivalent to not less than **TEN MILLION DOLLARS** ($10,000,000.00) per occurrence.

3. Be non-cancellable without thirty (30) days written notice thereof to the Director of Public Works and the Risk Manager.

4. Indemnify for all liability for personal and bodily injury, death, and damage to property arising from activities conducted pursuant to this franchise by providing coverage therefore, including, but not limited to, coverage for:

(a) Explosion, collapse and underground damage hazards.

(b) Negligent acts or omissions of **GRANTEE** and the agents, servants and employees thereof, committed in the conduct of franchise operations.

B. The policy of Worker's Compensation Insurance shall:

1. Have been previously approved as to substance and form by the California Insurance Commissioner.

2. Cover all employees of the **GRANTEE** who in the course and scope of their employment are to conduct or do work pursuant to the franchise operations.

3. Provide for every benefit and payment presently or hereinafter conferred by Division of the Labor Code of the State of California upon an injured employee, including the vocational rehabilitation and death benefits.

4. Be non-cancellable without thirty (30) days written notice thereof to the Director of Public Works and the Risk Manager.

C. **GRANTEE** shall file with the Director of Public Works prior to commencement of any franchise operations either certified copies of said policies or a certificate of insurance for each of the required policies executed by the company issuing the policy, certifying that the policy is in force and providing the following information with respect to said policy:

1. The policy number.

2. The date upon which the policy will become effective and the date upon which it will expire.

3. The names of the named insure and any additional insured.

4. Subject of the insurance.

5. The type of coverage provided by the insurance.

6. Amount of limit of coverage provided by the insurance.

7. A description of all endorsements that form a part of the policy.

D. Such insurance policies shall be maintained by the **GRANTEE** for the life of this franchise and on the first anniversary of this franchise, and on every one thereafter, **GRANTEE** will provide updated evidence that such insurance is in force. The **CITY** has the right during the terms of this franchise to increase the amount and scope of coverage. The **CITY** covenants that it will not exercise such right in an unreasonable manner.

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

Item 7. Assignment:

GRANTEE shall not permit any right or privilege granted by the franchise to be exercised by another, nor shall the franchise or any interest therein or any right or privilege thereunder be in whole or in part sold, transferred, leased, assigned, or disposed of except to a corporation acquiring or owning a portion of the assets of the **GRANTEE** without the consent of the **CITY** expressed by ordinance or resolution, as may be required;

provided, however, that the provisions of the franchise shall not require any such consent and no consent shall be required for any transfer by **GRANTEE** in trust or by way of mortgage or hypothecation covering all or any part of **GRANTEE'S** property which transfer, mortgage or hypothecation shall be for the purpose of renewing, extending, refunding, retiring, paying or cancelling in whole or in part any such indebtedness at any time or from time to time. Any such sale, lease, assignment, or other disposition of this franchise, whether requiring the consent of the **CITY** or otherwise, shall be evidenced by a duly executed instrument in writing filed in the office of the City Clerk, with a copy sent to the Department of Public Works within thirty (30) days after such sale, lease, assignment or other disposition.

Item 8. Faithful Performance Bond:

On or before the effective date of the ordinance granting the franchise, **GRANTEE** shall file and thereafter at all times during the life of the franchise keep on file with the City Clerk, a corporate surety bond approved by the City Attorney payable to the **CITY** in the penal sum of **FIFTY THOUSAND DOLLARS AND NO CENTS ($50,000.00),** with a surety to be approved by the City Attorney, conditioned that **GRANTEE** shall well and truly observe, fulfill and perform each condition of the franchise and that in case of any breach of condition of the bond, the whole amount of the penal sum shall be deemed to be liquidated damages and shall be recoverable from the principal and sureties of the bond. If said bond is not filed prior to the effective date of the ordinance granting the franchise, the award of the franchise may be set aside and the ordinance granting the franchise repealed at any time prior to the filing of said bond and any money paid in consideration for said award of franchise shall be forfeited. In the event that said bond, after it has been so filed, shall at any time during the life of the franchise become insufficient, **GRANTEE** agrees to renew said bond, subject to the approval of the City Attorney within ten (10) days written notice to do so from the Director of Public Works.

Item 9. Acceptance:

This franchise is granted and shall be held and enjoyed only upon the terms and conditions herein contained, and the **GRANTEE** shall, within ten (10) days after the adoption of the ordinance granting said franchise, file with the City Clerk of the City of Compton, a written acceptance of such terms and conditions.

Item 10. Affirmative Action:

Throughout the term of the franchise, the **GRANTEE** shall maintain an acceptable Affirmative Action Program, which assures that job applicants are sought and employed and that employees are treated during their employment without regard to their race, color, or national origin or ancestry, sex or religion and shall file documentary evidence thereof within thirty (30) days on written demand thereof by the City Manager.

Item 11. Eminent Domain:

No franchise granted by the **CITY** shall in any way impair or affect the right of the **CITY** or of any successor in authority to acquire the property of the **GRANTEE** by purchase or condemnation, and nothing contained in such a franchise shall be construed to contract away, modify or abridge either for a term or in perpetuity the **CITY'S** right of eminent domain in respect to any public utility.

Item 12. Favored Nations Clause:

If at any time during the term of this franchise **GRANTEE** agrees to pay a

higher Base Rate to any other municipality for a franchise covering **GRANTEE's** pipelines within L.A. County by means other than condemnation or court determination (exclusive of a pretrial settlement agreement), **CITY** shall receive the same Base Rate beginning on the date that the higher Base Rate was entered into with the other municipality.

Item 13. Said franchise is not and shall not be exclusive.

Section 5. That any provisions of the Compton Municipal Code or appendices thereto, or any other ordinance of the **CITY** inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

Section 6. That if any section, subsection, sentence, clause or phrase hereof is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this legislation and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that anyone or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 7. That copies of this resolution shall be forwarded to the offices of the City Manager, City Controller, City Attorney and the Department of Public Works.

Section 8. That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this 26th day of July, 2011.

Eric J. Perodin
MAYOR OF THE CITY OF COMPTON

CITY OF COMPTON INCORPORATED MAY A. D. 1888 CALIFORNIA

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 duly adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the 26th day of July 2011.

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

AYES:	COUNCIL MEMBERS-	Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES:	COUNCIL MEMBERS-	None
ABSENT:	COUNCIL MEMBERS-	None
ABSTAIN:	COUNCIL MEMBERS-	None

CITY CLERK OF THE CITY OF COMPTON

EXHIBIT A

CITY OF COMPTON
FRANCHISE ORDINANCE NO._____

As of__September 8, 2009_____

Street Occupied	Street	Stations	Street	Stations	Length	Dia.	Map No.
Compton	San Antonio	461+13	"City Line"	457+.35	378'	6"	GX145-18
Gibson	Rose	440+34	Myrrh	432+15	819'	6"	GX-145-17
Myrrh	Gibson	432+15	Williams	429+59	256'	6"	GX-145-17
Lime	Alley	411+85	Alondra	408+79	306'	6"	GX-145-16
Alondra	Lime	408+79	Atlantic	405+29	350'	6"	GX-145-15
Atlantic	Alondra	405+29	Greenleaf	378+00	2729'	6"	GX-145-14
Artesia Blvd	Harbor	308+09	Santa Fe	285+88	2221'	6"	GX-145-11
Santa Fe	Artesia	285+88	South of Artesia	283+45	243'	6"	GX-145-11

Footage Total by Diameter 7,302 Feet of 6" Diameter Pipe, Paramount Petroleum Line 145

February 25th, 2025

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

FROM: **BRYAN SPRAGG, DIRECTOR OF RECREATION**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE ESTIMATE OF INNOVATIVE PLAYGROUNDS CO., INC., AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH INNOVATIVE PLAYGROUNDS CO., INC, AND ESTABLISH A PURCHASE ORDER FOR THE TUCKER PARK PLAYGROUND IMPROVEMENT PROJECT FOR THE AMOUNT OF $684,704.93.**

SUMMARY

The resolution authorizes the City Manager to proceed with the Tucker Park Playground Improvement Project. This involves accepting an estimate of Six Hundred Twenty-Two Thousand Four Hundred Fifty-Nine Dollars and Three Cents, ($622,459.03) from Innovative Playgrounds Co., Inc., a reputable contractor specializing in playground construction. The City Manager will enter into a construction contract with the company to provide the specified construction services.

In addition to the contract amount, a 10% contingency of Sixty-Two Thousand Two Hundred Forty-Five Dollars and Ninety Cents, ($62,245.90) is authorized. This contingency fund is set aside to cover any unforeseen costs or changes during the project, ensuring that the project can be completed without financial interruptions.

Furthermore, the resolution establishes a purchase order for Innovative Playgrounds Co., Inc. for the total amount of Six Hundred Eighty-Four Thousand Seven Hundred Four Dollars and Ninety-Three Cents, ($684,704.93). This includes both the contract amount and the contingency amount, providing a comprehensive budget framework for the project's execution.

BACKGROUND

The City of Compton’s Recreation Department provides resources which meet the needs of the community through highly accessible, enjoyable and varied opportunities for learning and recreation. More specifically, the parks within the City of Compton offer a source of recreation for the community. Tucker Park, located within the City of Compton, has a playground and gazebo area. Both the playground equipment, and gazebo, have significant damage and require replacement.

In order to replace the equipment and gazebo, the City of Compton must contract with a professional provider. The City has partnered with Innovative Playgrounds Company Inc, a Sourcewell company.

Innovative Playgrounds Company brings over 40 years of combined commercial playground sales and construction experience in the park, recreation, school, and childcare industry. They are well established and are a professional representative firm serving California for some of the most prestigious manufacturers like BCI Burke Company LLC, who is a Sourcewell member, as well as the parent company of Innovative Playgrounds Co., Inc.

STATEMENT OF ISSUE

The Parks Maintenance Department does not employ personnel with the skills or qualifications to install the playground equipment and gazebo; thus, in May 2023 staff researched Sourcewell for this project to secure a qualified contractor and selected Innovative Playgrounds Co., Inc.

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to Federal, State/Province, and Municipal Governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. The City of Compton is a Sourcewell participating agency. As a participating agency with Sourcewell, the City of Compton does not need to complete the bidding process.

FISCAL IMPACT

The total cost for Fiscal Year 2024-2025 is $684,704.93. The funds for these expenditures are available in the following accounts:

Account Name	Account Number	Amount
Community Development Block Grant (CDBG)	2800-540-M64-4266	$96,500.00
Community Development Block Group Coronavirus (CDBG-CV)	2822-540-000-4332	$92,184.00
Measure A	2688-840-000-4266	$433,775.03
Measure A 10% Contingency	2688-840-000-4266	$62,245.90

As a Measure A qualifying project, the City of Compton will be reimbursed, on a perpetuitous bases, for the expenses related to the replacement of the playground equipment at Tucker Park, as claims are filed with the Los Angeles County Regional Park and Open Space District. Measure A funds will also be utilized for any unexpected costs. In anticipation of these costs the City has included a 10% contingency of the total contract price.

RECOMMENDATION

Staff recommends the City Council adopt the attached Resolution establishing, and authorizing, the City Manager to enter into a construction contract with Innovative Playgrounds Co., Inc and to open a Purchase Order to secure playground equipment replacement services for Tucker Park within the City of Compton during the fiscal year 2024-2025.

BRYAN SPRAGG
DIRECTOR OF PARKS & RECREATION

APPROVED FOR FORWARDING:

WILLIE A HOPKINS JR.
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE ESTIMATE OF INNOVATIVE PLAYGROUNDS CO., INC., AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH INNOVATIVE PLAYGROUNDS CO., INC, AND ESTABLISH A PURCHASE ORDER FOR THE TUCKER PARK PLAYGROUND IMPROVEMENT PROJECT FOR THE AMOUNT OF $684,704.93.

WHEREAS, the City of Compton's Recreation Department provides resources which meet the needs of the community through highly accessible, enjoyable and varied opportunities for learning and recreation; and

WHEREAS, more specifically, the parks within the City of Compton offer a source of recreation for the community. Tucker Park, located within the City of Compton, has a playground and gazebo area. Both the playground equipment, and gazebo, have significant damage and require replacement; and

WHEREAS, to replace the equipment, the City of Compton must contract with a professional provider and has partnered with Innovative Playgrounds Co., Inc, a Sourcewell company; and

WHEREAS, City Council approval is needed to secure playground and gazebo equipment replacement services for Tucker Park, located within the City of Compton; and

WHEREAS, the Department of Recreation is requesting authorization to secure playground and gazebo equipment replacement services in the amount of $622,459.03; and

WHEREAS, the total cost for Fiscal Year 2024-2025 is $684,704.93. The total amount includes the estimate of $622, 459.03, and a 10% contingency of $62,245.90 for any unexpected costs. The funds for these expenditures are available in the following accounts:

Account Name	Account Number	Amount
Community Development Block Grant (CDBG)	2800-540-M64-4266	$96,500.00
Community Development Block Group Coronavirus (CDBG-CV)	2822-540-000-4332	$92,184.00
Measure A	2688-840-000-4266	$433,775.03
Measure A 10% Contingency	2688-840-000-4266	$62,245.90

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

Section 1. That the City Manager, is hereby authorized, on the advice and approval of the City Attorney, to enter into a construction contract, in the amount of $622,459.03, for playground and gazebo equipment replacement services for Tucker Park, located within the City of Compton, with Innovative Playgrounds Co., Inc.

Section 2. That a ten percent (10%) contingency amount, ($62,245.90) is hereby authorized

Section 3. That the City Manager is authorized to open a Purchase Order with Innovative Playgrounds Co., Inc. for $684,704.93 to secure playground and gazebo equipment replacement services for Tucker Park, located within the City of Compton.

Section 4. The funds for these expenditures are available in the following accounts:

Account Name	Account Number	Amount
Community Development Block Grant (CDBG)	2800-540-M64-4266	$96,500.00
Community Development Block Group Coronavirus (CDBG-CV)	2822-540-000-4332	$92,184.00
Measure A	2688-840-000-4266	$433,775.03
Measure A 10% Contingency	2688-840-000-4266	$62,245.90

As a Measure A qualifying project, the City of Compton will be reimbursed, on a perpetuitous bases, for the expenses related to playground equipment replacement services, as claims are filed with the Los Angeles County Regional Park and Open Space District. Measure A funds will also be utilized for any unexpected costs. In anticipation of these costs the City has included a 10% contingency of the total contract price.

Section 5. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Attorney, City Manager, Public Works Street Maintenance, Recreation and the City Controller.

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

ADOPTED this _____day of _____, 2025

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF COMPTON)

I, Satra D. Zurita, 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 Clerk at a regular meeting thereof held on this _____day of _____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

CONSTRUCTION SERVICES AGREEMENT BETWEEN THE CITY OF COMPTON AND INNOVATIVE PLAYGROUND CO., INC. REGARDING THE REPLACEMENT OF THE PLAYGROUND EQUIPMENT & GAZEBO (HEXAGONAL SHELTER) AT TUCKER PARK

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 **INNOVATIVE PLAYGROUND CO., INC. (**hereinafter referred to as "**CONTRACTOR")** located at 12407 E. Slauson Ave., #D, Whittier, CA 90606, pursuant to Resolution No. XX,XXX, adopted by the City Council on Month Date, 2025.

WITNESSETH:

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

1. Services to be performed by Contractor: Contractor shall perform, in a professional manner, everything required to be performed, shall provide and furnish all the labor, materials, necessary tools, expendable equipment and all utility and transportation services for providing construction services for the replacement of the existing playground equipment and gazebo (hexagonal shelter) at Tucker Park in the City of Compton. Specifically, Contractor shall provide and perform the following services at all parks aforementioned:

TUCKER PARK SCOPE OF SERVICES

- Demo and dispose of existing play equipment
- Demo and dispose of existing Pour In Place (PIP) rubber surfacing, remove existing base
- Demo and dispose of woodchips
- Construct concrete curb
- Install aggregate base to prepare for rubber surfacing
- Supply and install Burke Play Equipment which includes Nucleus Evolution Tower Series Unit for ages 5 to 12, Nucleus Series Unit for ages 2 to 5, Burke 5 OD double bay arch frame swing with seatbelts, ADA Freedom Seat, Konnection Parent/Child Swing and PVC chains, Kidforce Spinner, ADA Accessible Activity Panel Clusters, Traditional Series Benches with Back, PVC Litter Container, and Freestanding Welcome/Safety Age Sign
- Provide free Maintenance Kit
- Install Burke Play Equipment
- Supply Pour In Place surfacing
- Install Pour In Place surfacing
- Demo and dispose of existing wood picnic shelter
- Demo and dispose of existing concrete and pavers
- Construct concrete slab with dowels to existing sidewalk

- Supply Steelworx Hexagon Shelter with Vented Top
- Install 20 Foot Steelworx Hexagon Shelter into dirt, excludes all necessary electrical and conduit work
- Supply Burke Site Amenities: (3) Traditional Picnic tables, (1) ADA Picnic Table, and (1) Stat Flat Cover
- Install Burke Site Amenities: (3) Traditional Picnic tables, (1) ADA Picnic Table, and (1) Stat Flat Cover
- Contractor to provide temporary fencing during installation of play equipment, play area surfacing, and picnic shelter
- City is responsible for re-routing any irrigation lines
- City to supply evening security

Contractor agrees to perform all the said work and furnish all the said materials at its own cost and expense, as are necessary to complete in a good worker-like and substantial manner and to the satisfaction of the City**.** Contractor shall bear all costs associated with this work, including, but not limited to all professional, technical, clerical services, materials, tools, equipment, transportation, telephone, etc., used by Contractor in connection with this work.

Contractor will be responsible for employing or engaging all persons necessary to perform the services. All of Contractor's staff will be qualified by training and experience to perform their assigned tasks. Contractor 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.

1.1 Key Personnel.

a) **Contractor's Representative.** Contractor hereby designates **Alvino Larios, Sales Representative** as Contractor's Representative, who shall be deemed to be Contractor's agent with express authority to bind Contractor with respect to all matters requiring Contractor's approval or authorization.

b) **City's Representative.** City hereby designates **Bryan Spragg**, **Director of the Parks and Recreation Department** or his/her designated representative as City's Representative for this Agreement.

2. <u>Term of Agreement.</u> Contractor 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 for the duration of the term of this agreement from March 2025 to June 2025; unless this Agreement is terminated as provided herein.

Contractor will generally adhere to the schedule set forth within Contractor's Proposal provided that City will grant reasonable extensions of time for the performance of the services occasioned by unusually lengthy governmental reviews of Contractor'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 Contractor's officers or employees.

Contractor acknowledges the importance to City of Compton's project schedule and agrees to put forth its best professional efforts to perform the services in a manner consistent with the schedule. City understands, however, that Contractor's performance must be governed by sound practices. Contractor will work such overtime or engage such personnel and equipment as necessary to maintain the schedule, without additional compensation.

3. Compensation. Contractor agrees to provide all professional services at the following rate: $622,459.03 total compensation for services rendered. The method of payment for these services will be billed on an invoice basis, paid at the completion of each task/phase of the project. The total price paid the Contractor will include compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. The fees charged by the Contractor shall include compensation for all work and labor, 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 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 Contractor and the City. Adjustment in the total compensation will not be effective until authorized by written approval by the City and Contractor. Progress payments may be made in arrears for services provided by the Contractor. If Contractor fails to complete the work according to schedule and as agreed, 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 invoice(s) for all services completed. Invoice(s) shall be submitted no later than 45 calendar days after the performance of work for which the Contractor is billing. Invoice(s) shall be delivered or mailed to the City Controller Department 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.

For the work agreed to be performed pursuant to this Agreement, it is understood between the parties that the maximum compensation payable to the Contractor for any and all services rendered during the term of this Agreement is limited to **Six Hundred Twenty-Two Thousand Four Hundred Fifty-Nine Dollars and Three Cents, ($622,459.03).**

In the event of termination, the Contractor shall be entitled to non-disputed compensation for the reasonable value of services performed to the effective date of 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 and material associated with the performance of this Agreement.

4. Safety.

4.1 Contractor shall have overall responsibility for safety precautions and programs in the performance of the services.

4.2 Contractor shall seek to avoid injury, loss or damage to persons or property by taking reasonable steps to protect:

a) Employees and all other persons at the location where services are rendered ("Site"); and
b) Materials and equipment stored on the Site or off the Site at locations for use in performance of the work; and
c) The assigned project Site and all property located at the Site, whether or not said property or structures are part of the project or involved in the work.

4.3 Contractor shall designate an individual at the Site of the assigned project in the employ of Contractor who shall act as Contractor's designated safety representative with a duty to prevent accidents.

4.4 Losses not insured under property insurance which may arise from the performance of the work, to the extent of the negligence attributed to such acts or omissions of Contractor or anyone for whose acts Contractor may be liable, shall be promptly remedied by Contractor at Contractor's cost and without reimbursement by City as a cost of work, or in any other manner.

4.5 If City deems any part of the work or Site unsafe, City may require Contractor, without assuming responsibility for Contractor's safety program, to immediately stop performance of the work or take corrective measures. Neither City's order nor Contractor's action in response thereto shall be the basis for adjustment in the contract price or contract time.

4.6 Contractor shall immediately notify the City of any illegal dumping of hazardous materials and other emergency public safety issues observed at the Sites were services are performed.

5. **Indemnity.** Contractor shall indemnify and save harmless the City**,** its officials, officers, employees, agents and volunteers (collectively hereafter 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 defend, indemnify and save the City from any and all liability or expense, including defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Worker's Compensation claims, of or by anyone whomsoever in any way resulting from or arising out of the negligent or intentional acts or omissions of the Contractor in the performance of this Contract, including operations of subcontractors and acts or omissions of employers or agents of the Contractor or its subcontractors.

This indemnification and hold harmless obligation does not extend to claims arising out of the sole negligence or willful misconduct of the City.

6. **Insurance.** The Contractor shall not commence work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

As a condition precedent to the effectiveness of this Contract for work to be performed hereunder and without limiting the Contractor's indemnification of the City, Contractor shall provide and maintain at its own expense during the term of this Agreement the following program(s) of insurance covering its operations hereunder. ***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.*** Contractor agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City.

6.1 Minimum Scope of Insurance. Insurance coverage specified herein constitutes the minimum requirements and said requirements shall in no way lessen or limit the liability of the Contractor under the terms of the Agreement. Contractor shall procure and maintain, at its own costs and expense, any additional kinds and amounts of insurance that, in its own judgment, may be necessary for its proper protection of the work.

All insurance required hereunder shall be primary with respect to any insurance maintained by the City and shall not call on the City's program for contributions. Program(s) of insurance shall include:

a) **Commercial General Liability.** Contractor shall provide and maintain at its own expense during the term of this Agreement a policy of Commercial General Liability Insurance, inclusive of personal injury liability and broad form property damage coverage, in an amount not less than **Two Million Dollars ($2,000,000.00)** per occurrence. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

b) **Automobile Liability.** A program of insurance with a limit of liability of not less than **One Million Dollars ($1,000,000.00)** for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

c) **Workers' Compensation.** Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance, with a limit of not less than **One Million Dollars ($1,000,000.00)** per accident for bodily injury and disease. Workers' Compensation and Employer's Liability insurance may not be required if Contractor has no employees and provides, to City's satisfaction, a declaration stating this.

6.2 Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval.

a) The policy of insurance required by Section 6.1.a (Commercial General Liability) shall be endorsed to provide the following:

(1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be named as ***"additional insured"*** with regard to liability and defense of suits or claims arising out of the performance of the Agreement.

(2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City, except ten (10) days written notice shall be provided for non-payment of premium.

b) The policy of insurance required by Section 6.1.b (Automobile Liability) shall be endorsed to provide the following:

(1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City, except ten (10) days written notice shall be provided for non-payment of premium.

c) The policy or policies of insurance required by Section 6.1.c (Workers' Compensation) shall be endorsed to provide the following:

(1) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.

(2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City, except ten (10) days written notice shall be provided for non-payment of premium.

6.3 Waiver of Subrogation. Required insurance coverages shall not prohibit Contractor from waiving the right of subrogation prior to a loss. Contractor shall waive all subrogation rights against the indemnified parties. Policies shall contain or be endorsed to contain such provisions.

6.4 Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

6.5 Evidence of Insurance. The Contractor, concurrently with the execution of the Contract, and as a condition precedent to the effectiveness thereof, shall deliver certified copies of the required policies to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

6.6 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

6.7 Insurance for Subcontractors. All subcontractors shall be included as additional insureds under the Contractor's policies, or the Contractor shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City as an ***"additional insured"*** to the subcontractor's policies.

7. Nondiscriminatory Employment Practices. During the performance of this Contract, 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. The 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. Such action 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 and applicants for employment, notices setting forth provisions of this nondiscrimination clause.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract, this Contract may be canceled, terminated or suspended in whole or in part.

8. Successor and Assigns. City and the Contractor each binds themselves, their partners, successors, assigns and legal representatives to the other party hereto and to partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in the Contract Documents. Neither party to the Agreement shall assign the Contract or sublet it in whole or part without the written consent of the other, nor shall the Contractor assign any monies due or to become due to it hereunder, without the previous written consent of the City. Any attempted assignment of this Contract without the written consent of both parties is void.

9. Independent Contractor Status. Contractor, its officers, employees, subcontractors, agents and volunteers (collectively hereinafter the "Contractor"), is a wholly independent Contractor and not an officer, employee, subcontractor or agent of the City. 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.

10. Subcontracting. 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.

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

12. Permits and Licenses. Contractor, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate business and professional permits, licenses and certificates that may be required in connection with the performance of services by Contractor.

Prior to, or at the time of execution of this Agreement, the Contractor shall purchase a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

13. Termination. Notwithstanding any other provisions of this Agreement, this Agreement may be terminated as follows:

13.1 If the Contractor becomes insolvent; that is, it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether or not it has committed an act of bankruptcy, and whether or not insolvent within the meaning of the federal Bankruptcy law, then, the City may, without prejudice to any other right or remedy and after giving the Contractor five (5) days written notice, terminate this Agreement.

13.2 If the Contractor persistently or repeatedly refuses or fails, except in cases for which extensions of time are provided, to supply enough properly skilled workers, property or material, or if he fails to make prompt payment to subcontractors or for materials or labor, or he persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, then, the City may, without prejudice to any other right or remedy and after giving the Contractor five (5) days written notice, terminate this Agreement.

13.3 If the Contractor fails to perform or breaches any material obligation under this Agreement, then, the City may, without prejudice to any other right or remedy and after giving the Contractor five (5) days written notice, terminate this Agreement.

If the City gives notice of termination, Contractor shall cease immediately all work in progress unless otherwise directed in writing by the City. Upon termination, Contractor shall furnish to the City a final invoice for work performed.

14. Force Majeure. In the event that performance by either party is rendered impossible (permanently or temporarily) due to acts of war, acts of terrorism, fires, floods, epidemics, quarantine restrictions, or other natural occurrences, strikes, work slowdowns, lockouts (other than lockout by Contractor or any of Contractor's subcontractors), or other similar acts to those described above or other causes beyond the reasonable control of such party, and without fault or negligence, said event shall excuse performance by such party, or in the case of temporary impossibility, shall excuse performance only for a period commensurate with the period of impossibility. Notwithstanding the foregoing, City shall have the right to terminate this Contract upon any event that renders performance impossible. In such case, City shall be responsible for payment of all expenses incurred to the point at which this Contract is terminated.

15. Waivers. A waiver by either party to this Agreement of any breach of any term, covenant or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

16. Amendments. This Agreement may be modified or amended only by 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.

17. Notice. All notices, demands or requests to be given under this Agreement shall be given in writing and conclusively shall be deemed received when: (a) delivered personally, or (b) on the fifth day after the deposit thereof in the United States mail, postage prepaid and addressed as hereinafter provided, or (c) one business day after sent by facsimile transmission.

Contractor:

Innovative Playgrounds Co., Inc.
12407 E. Slauson Ave., Unit D
Whittier, CA 90606
(562) 693-5200

City: **City of Compton**
205 South Willowbrook Avenue
Compton, CA 90220
Attn: Bryan Spragg, Director of Recreation
(310) 605-3060

With copy to: **City of Compton**
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

18. Contractor's Books and Records. Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to work, services, expenditures and disbursements charges to the City for the period and to the extent required by laws relating to audits of public agencies and their expenditures.

Contractor shall maintain all documents and records which demonstrate performance under this Agreement for the period and to the extent required by laws relating to audits of public agencies and their expenditures.

Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City or a designated representative. Copies of such documents shall be provided to the City**,** at its expenses, for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Contractor's address indicated for receipt of notices in this Agreement.

19. Examination and Audit. This Contract shall be subject to examination and audit of the City**,** State Auditor of the State of California and/or any duly authorized representative of the federal government, at the request of the City, or as part of any audit of the City, for a period of three (3) years, or longer if required by law, after final payment under this Agreement.

20. Extent of Agreement. This Agreement and any attachments hereto, constitute the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all and any part of the subject matter hereof. Neither party has been induced to make or enter into this Agreement by reason of promise, agreement, representation, statement or warranty other than as herein contained. Nothing in this Agreement shall create any contractual relations between any subcontractor and the City.

21. **Governing Law, Jurisdiction and Venue.** This Agreement shall be governed by and construed under the laws of the State of California. In the event of litigation between the parties, venue shall lie exclusively 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.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

22. **Waiver of Jury Trial.** Contractor voluntarily waives its right to a jury trial of any cause of action, claim, counter-claim or cross-complaint in any action, proceeding or hearing on any matter whatsoever arising out of, or in any way connected with, this Agreement, the relationship between City and Contractor, Contractor's performance on each project, or the enforcement of any remedy under any law, statute or regulation now or hereafter in effect. Contractor shall include this provision for waiver of jury trial right in its contracts with its subcontractors who provide work on any assigned projects, waiving the right of a jury trial in any action involving City as a party, whether by joinder, consolidation, counter-claim, cross-complaint or otherwise.

23. **Federal and State Withholding Taxes.** Contractor shall be responsible for paying when due all federal and state income withholding taxes for all earning under this Agreement. Contractor agrees to indemnify City for any claims, costs, losses, fees, penalties, interest, or damages suffered by City resulting from Contractor's failure to comply with this provision. Contractor shall be responsible for paying all federal and state income withholding taxes for all earning under this Agreement.

24. **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.

Innovative Playgrounds Co., Inc.

By: _____ Dated:_____
Alvino Larios, Sales Representative

City of Compton

By: _____ Dated:_____
Bryan Spragg, Director of Parks & Recreation

Approved by:

By: _____ Dated:_____
Willie A. Hopkins Jr., City Manager

Approved as to form:

By: _____ Dated:_____
Eric Perrodin, City Attorney

ATTEST:

By: _____ Dated:_____
Satra D. Zurita, City Clerk

August 19, 2024

Bryan Spragg
City of Compton
205 S Willowbrook Ave
Compton, CA 90220
Phone: (310) 605-3060

Dear Bryan Spragg:

Innovative Playgrounds is delighted to provide City of Compton with this playground equipment proposal.

This design was developed with your specific needs in mind, and we look forward to discussing this project further with you to ensure your complete satisfaction. Innovative Playgrounds is confident that this proposal will satisfy City of Compton's functional, environmental, and safety requirements -- and most importantly -- bring joy and excitement to the children and families directly benefiting from your new playground.

You have our personal commitment to support this project and your organization in every manner possible, and we look forward to developing a long-standing relationship with City of Compton. We appreciate your consideration and value this opportunity to earn your business.

Sincerely,

Alvino Larios
Sales Representative

Innovative Playgrounds
12407 E Slauson Ave #D
Whittier, CA 90606
www.www.innovplay.com
www.bciburke.com

Phone: 562-693-5200
Fax: 562-693-5199
alvino@innovplay.com

Innovative PLAYGROUNDS CO.

Proud Representative of Burke PLAY THAT MOVES YOU.

Our Business Philosophy:

Our team at Innovative Playgrounds Company brings over 40 years of combined commercial playground sales and construction experience in the park, recreation, school, and childcare industry. We are a well established and professional representative firm serving California for some of the most prestigious manufacturers around the country. As a full turn-key service company, we are able to offer FREE site assessments, design consultations, funding resources, and project management for playground and fitness equipment, safety surfacing, shade structures, sport and site amenities. Innovative Playgrounds is not about selling you playground equipment today, but developing a lasting partnership for tomorrow. We are committed to making a difference in the lives of children by providing safe, fun, and quality playground equipment. We build on providing first class service by establishing relationships that demonstrate what we believe in: customer trust. Most of all, we are dedicated to changing every community we are involved with by impacting the development of our children and their future.

We Believe in Generations of Play!

Innovative Playgrounds Added-Values

- Full turn-key service company (site assessments, designs, funding resources, and project management for playground/fitness equipment, safety surfacing, shade structures, and sport/site amenities)
- 2D drawings, color and custom 3-Ds and plan views provided to you at no cost
- Free Maintenance and NPPS Supervision Kits provided with every playground purchase
- Seminars offered on playground safety
- Represent only nationally recognized manufacturers
- BCI Burke, our flagship playground equipment manufacturer has the highest quality products, the longest and strongest non-prorated WARRANTY in the industry
    - Established in 1920 BCI Burke is the oldest playground equipment manufacturer in the country
    - Founding and active member of IPEMA (International Playground Equipment Manufacturers Association)
    - Burke's track record for shipments averages well over 95% complete, correct and on time since 2002
    - Industry leading order turn-around time.
- Solid relationship with local certified playground equipment installers
- With Burke, we offer California Multiple Award Schedule (CMAS) Contracts and General Services Administration (GSA) Contracts as well as other nationally recognized purchasing contracts for qualified customers such as Omina Partners, Sourcewell, Equalis, and HGACBuy . Contact us to learn more.
- Offer Exclusive Burke "Funds for Fun" fundraising assistance program, a "Grant Resource Center", finance options, and assistance with KaBOOM!
- Products meet or exceed Consumer Product Safety Commission (CPSC) & ASTM standards
- BCI Burke equipment is International Playgrounds Equipment Manufacturers Association (IPEMA) Certified as shown on IPEMA's web site (ipema.org)
- All play equipment is designed to comply with Americans with Disabilities Act Accessibility Guidelines (ADAAG)
- Service and Maintenance Warranties available
- Member of California Park and Recreation Society and Southern California Municipal Athletic Federation (SCMAF)

Contact Us
1-877-732-5200
Innovplay.com

COOPERATIVE PURCHASING OPTIONS

PLAYGROUNDS WITHOUT ALL THE PAPERWORK

Purchasing with contracts may sound intimidating, but getting your community playspace doesn't need to be a painful process of writing specifications, issuing RFP's and jumping through hoops – it can be simplified – we promise! As you continue planning for your new playground, review the Purchasing Contracts offered through our partners.

EQUALIS GROUP

Equalis is an innovative cooperative purchasing organization that believes in the power of partnership and that when you work together you achieve more. The basic premise of the Equalis cooperative purchasing organization is to leverage the combined buying power of all members for better pricing and favorable contract terms. Equalis Group uses the lead agency model for competitively bid contracts, provides our participants the savings they expect and offers efficiencies and peace of mind within the procurement process. It is our mission to continuously improve the measurable and meaningful impact of cooperative services for everyone throughout the supply chain.

GOVMVMT

GOVMVMT is a non-profit group purchasing organization that meets the highest industry standards while putting the public's interest at the forefront of everything they do. Each one of GOVMVMT's first-class suppliers has consciously joined their mission to create the most credible, ethical, and public agency-focused non-profit cooperative purchasing program in the country.

GSA

Federal parks, child development programs, military bases and other agencies are a major priority for BCI Burke, and agencies can purchase Burke playgrounds through Burke's GSA contract for installation virtually anywhere in the world.

OMNIA PARTNERS

OMNIA Partners, Public Sector (Subsidiary National IPA) is the largest and most experienced organization in purchasing and supply chain management. Comprised of participants and suppliers in the public sector, we bring together industry-leading buying power and world-class suppliers to offer an extensive portfolio of competitively solicited and publicly awarded contracts and partnerships. OMNIA Partners is proud to offer more value and resources to state and local government, higher education, K-12 education and non-profits.

SOURCEWELL

As a leader in cooperative purchasing, Sourcewell is passionate about helping members fulfill their public service missions. Sourcewell builds strong relationships with members and vendors to develop practical solutions together.

The easiest way to Join Our Movement is to call your local Representative at 800.266.1250 or v**isit bciburke.com/rep**.
Our passion is bringing play to communities like yours and we can't wait to help you get started!

equalis GROUP

GSA Contract Holder

GOVMVMT

OMNIA PARTNERS

Sourcewell
Awarded Contract
Contract # 010521-BUR

DESIGN SUMMARY

Innovative Playgrounds is very pleased to present this Proposal for consideration for the Tucker Park located in Compton. BCI Burke Company, LLC has been providing recreational playground equipment for over 100 years and has developed the right mix of world-class capabilities to meet the initial and continuing needs of City of Compton. We believe our proposal will meet or exceed your project's requirements and will deliver the greatest value to you.

The following is a summary of some of the key elements of our Proposal:

- Project Name: Tucker Park
- Project Number: 513-189783-1
- User Capacity: 187
- Age Groups: 5 to 12, 2 to 5
- Dimensions: 90' 11"x71' 10"
- Designer Name: Pa Der Vang

Innovative Playgrounds has developed a custom playground configuration based on the requirements as they have been presented for the Tucker Park playground project. Our custom design will provide a safe and affordable playground environment that is aesthetically pleasing, full of fun for all users and uniquely satisfies your specific requirements. In addition, proposal # 513-189783-1 has been designed with a focus on safety, and is fully compliant with ASTM F1487 and CPSC playground safety standards.

We invite you to review this proposal for the Tucker Park playground project and to contact us with any questions that you may have.

Thank you in advance for giving us the opportunity to make this project a success.

PLAYGROUND ACCESSIBILITY (PROVIDED/REQUIRED)

TOTAL EVENTS	ELEVATED EVENTS	TRANSFER ACCESSIBLE EVENTS	RAMP ACCESSIBLE EVENTS	GROUND EVENTS	TYPES OF GROUND EVENTS
36	18	14/9	0/0	18/6	7/3

The use and layout of play components identified in this plan conform to the CPSC guidelines. U.S. CPSC recommends the separation of age groups in playground layouts.

OVERALL BOUNDING OF USE ZONES **The space requirements shown here are to ASTM standards. Requirements for other standards may be different.
Area: 7322.9 sq.ft.
Perimeter: 344.8 ft.
STRUCTURE SIZE: 11'x96' 7"
POST SIZE(S):

Warning: Accessible safety surfacing material is required beneath and around this equipment that is compliant with ASTM, CPSC, and ADAAG requirements.

SERIES Nucleus | Intensity | Burke Basics

SITE PLAN VIEW

GROUP:
5-12 Structure|2-5 Structure|FS Panels|Freestanding

DESIGNED FOR AGES:
5 to 12, 2 to 5

Tucker Park
Compton, CA 90220-3630

Burke
PLAY THAT MOVES YOU

08/19/2024

Innovative Playgrounds
513-189783-1
Designer: Pa Der Vang

ITEM	COMP.	DESCRIPTION
1	270-0130	SQUARE PLATFORM
2	570-0100	EVOLUTION BARRIER
3	470-0075	CRESCENT PLATFORM
4	270-0009	8" CLOSURE PLATE, ELLIPSE
5	570-2707	RAIN CRESCENT PANEL
6	570-2678	CLOCK PANEL
7	570-1619	WHEEL OF FUN PANEL
8	370-0041	EVOLUTION 40" TRANSITION STAIR W/ BARRIERS
9	270-0129	TRIANGLE PLATFORM
10	470-0803	CONTOUR SLIDE, 64"-72"
11	270-0299	ABSTRACT PLATFORM LADDER 24"
12	270-0120	EVOLUTION UNITARY ENCLOSURE
13	370-1718	TAKTIKS BOW CLIMBER
14	470-0961	16' SHADEPLAY SINGLE POST HYPAR
15	370-1675	STRAIGHT OVERHEAD, NUCLEUS
16	370-0854	VERTO CLIMBER 1
17	370-1608	OVISTEP LAUNCH PAD
18	270-0122	EVOLUTION OFFSET ENCLOSURE
19	370-0862	TREE BRANCH CLIMBER 48"
20	370-0113	LINKING RING CLIMBER 80"-96"
21	270-0121	EVOLUTION STANCHION
22	570-2714	EVOLUTION 2.5' OPENING BARRIER
23	470-0353	COBRA SLIDE FUSION LEFT 120"
24	470-0811	EVOLUTION ROOF END PLATE
25	570-1545	EVOLUTION 6' OPENING BARRIER
26	570-2648	SIGNING PANEL
27	470-0358	COBRA SLIDE FUSION CORKSCREW 192"
28	570-1544	EVOLUTION SHORT CURVED TOP BARRIER
29	570-1546	EVOLUTION TALL BARRIER
30	470-0015	EVOLUTION SQUARE ROOF
31	470-0006	EVOLUTION BOTTOM ROOF SUPPORT, SINGLE
32	470-0009	EVOLUTION SIDE ROOF SUPPORT, RIGHT
33	370-0087	LEAF CLIMBER 16" - 24"
34	470-0123	COBRA SLIDE CORKSCREW LEFT 192"
35	370-1649	EVOLUTION, DECK TO ROOF CLIMBER
36	470-0008	EVOLUTION SIDE ROOF SUPPORT, LEFT
37	470-0010	EVOLUTION MIDDLE ROOF SUPPORT

SERIES Nucleus | Intensity

COMPONENT VIEW

GROUP:
5-12 Structure

DESIGNED FOR AGES:
5 to 12

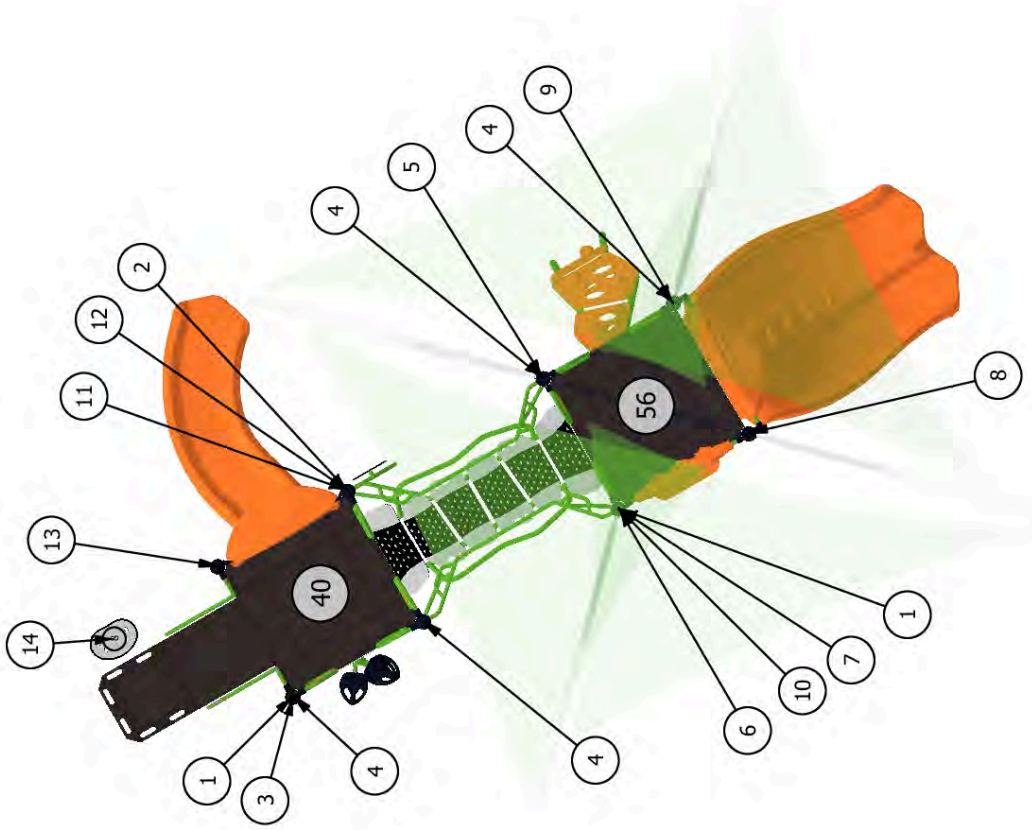
Tucker Park
Compton, CA 90220-3630

08/19/2024

Innovative Playgrounds
513-189783-1
Designer: Pa Der Vang

Burke
PLAY THAT MOVES YOU

ITEM	COMP.	DESCRIPTION
1	270-0130	SQUARE PLATFORM
2	570-2705	SPINNER CRESCENT PANEL
3	370-0089	LEAF CLIMBER 40" - 48"
4	270-0120	EVOLUTION UNITARY ENCLOSURE
5	370-1715	MESA CLIMBER
6	570-0788	TIC TAC TOE PANEL ASSEMBLY
7	570-0557	COUNTER PANEL, BELOW PLATFORM
8	470-0755	LUGE SLIDE, 48"-56"
9	370-0232	FORMIS LADDER 56
10	470-0670	ARA SQUARE SHADE CANOPY
11	470-0802	MONACO SLIDE, 32"-40"
12	470-0967	SLIDE HOOD, LOW SIDE WALL
13	370-1661	TRANSFER STATION, BARRIER 40"
14	580-1364	LIL NOVO BEAN STEP



SERIES Nucleus | Burke Basics

COMPONENT VIEW

GROUP:
2-5 Structure

DESIGNED FOR AGES:
2 to 5

Tucker Park
Compton, CA 90220-3630

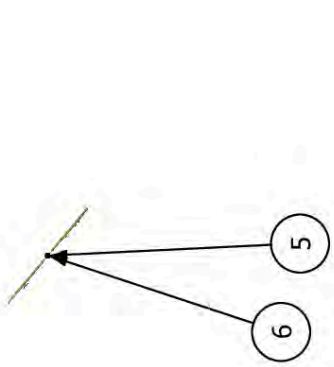
Burke
PLAY THAT MOVES YOU

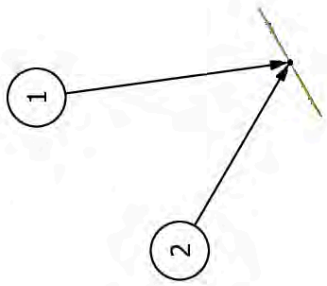
08/19/2024

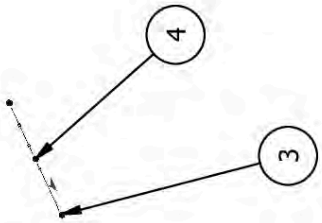
Innovative Playgrounds
513-189783-1

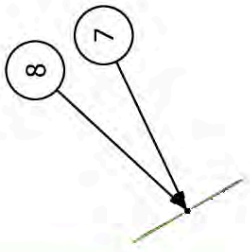
Designer: Pa Der Vang

ITEM	COMP.	DESCRIPTION
1	570-0687	CHARADE RING PANEL
2	570-2729	CLASSIC GAME RING PANEL
3	570-2668	CAR ACCESSIBLE REACH PANEL
4	570-2667	BEE ACCESSIBLE REACH PANEL
5	570-2703	COLLISION RING PANEL
6	570-0814	PROPELLER RING PANEL
7	570-0815	WAVER RING PANEL
8	570-0860	3-IN-A-ROW RING PANEL









SERIES Intensity | Nucleus

COMPONENT VIEW

GROUP:
FS Panels

DESIGNED FOR AGES:
2 to 5

Tucker Park
Compton, CA 90220-3630

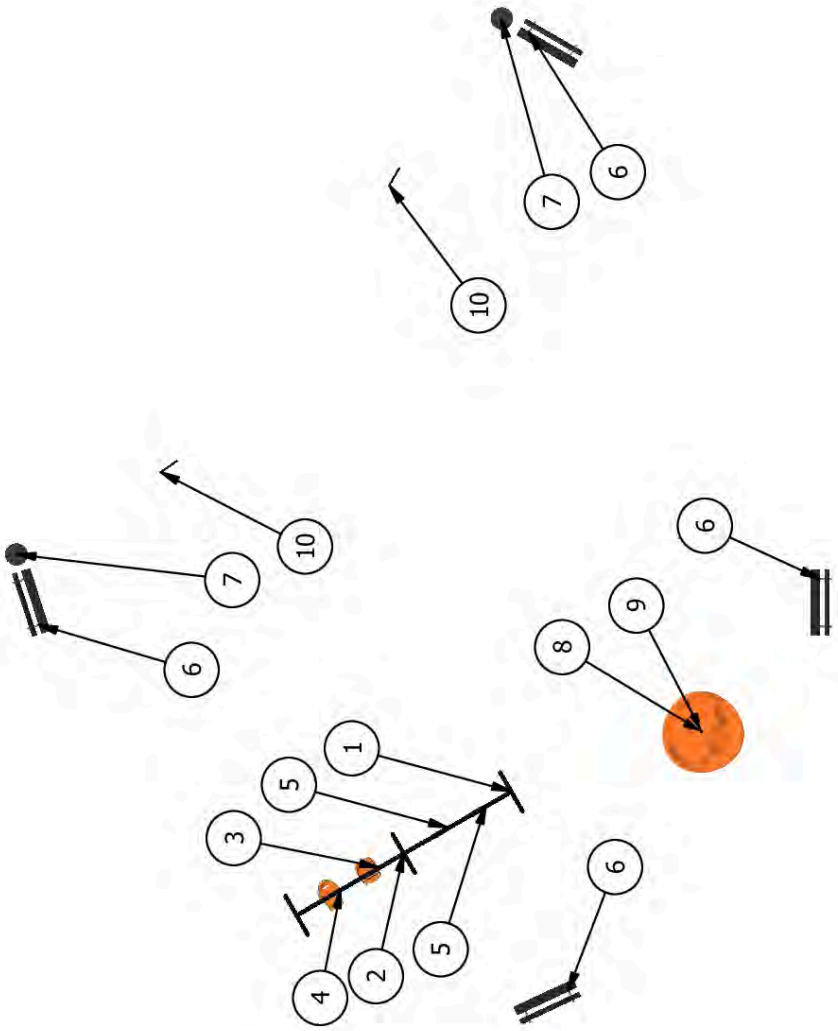
Burke
PLAY THAT MOVES YOU

08/19/2024

Innovative Playgrounds
513-189783-1

Designer: Pa Der Vang

ITEM	COMP.	DESCRIPTION
1	550-0135	5' OD ARCH SWING
2	550-0136	5' OD ARCH SWING ADD-ON
3	550-0172	FREEDOM SWING SEAT, 8' BEAM, PVC CHAIN
4	550-0191	KONNECTION SWING
5	550-0113	BELT SEAT, 8' SINGLE, PVC CHAIN
6	580-0172	6' PVC TRADITIONAL BENCH W/BACK, STATIONARY
7	580-0184	PVC LC STAT FLAT COVER
8	560-2579	VOLTA INCLUSIVE SPINNER
9	560-2765	VOLTA SPINNER FOOTER
10	580-1302	FS SIGN, CUSTOM/CUSTOM



SERIES Burke Basics

COMPONENT VIEW

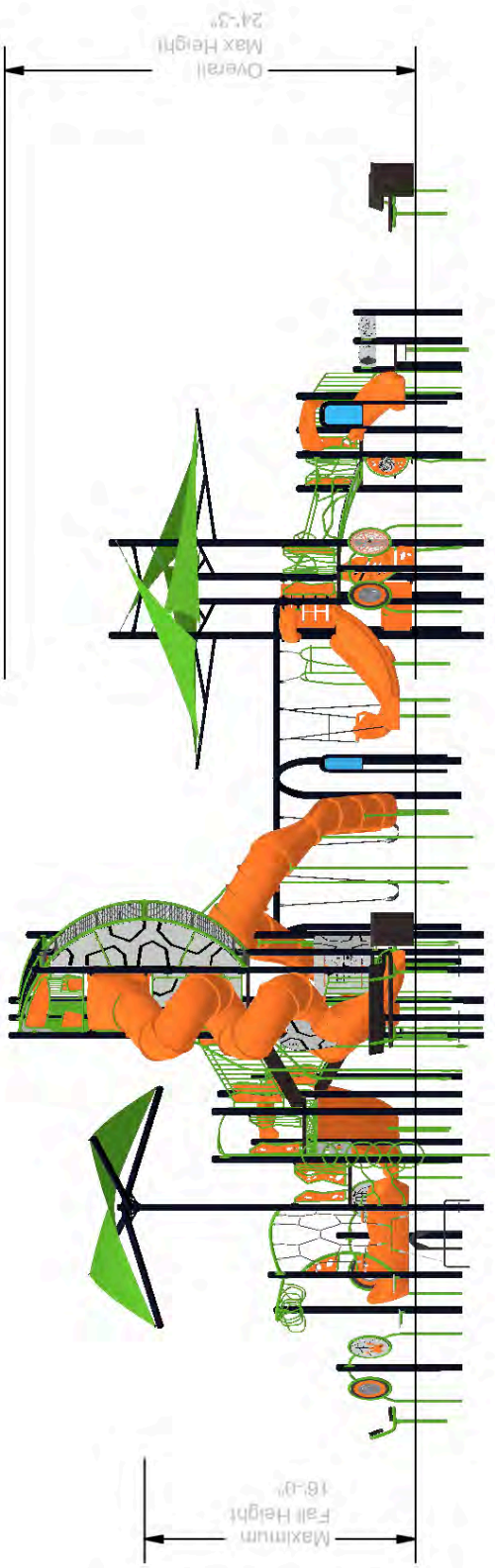
GROUP:
Freestanding

DESIGNED FOR AGES:
5 to 12

Tucker Park
Compton, CA 90220-3630

08/19/2024

Innovative Playgrounds
513-189783-1
Designer: Pa Der Vang



SERIES	Nucleus | Intensity | Burke Basics	ELEVATION VIEW
GROUP: 5-12 Structure|2-5 Structure|FS Panels|Freestanding **DESIGNED FOR AGES:** 5 to 12, 2 to 5	**Tucker Park** Compton, CA 90220-3630 Burke PLAY THAT MOVES YOU.	08/19/2024 **Innovative Playgrounds** **513-189783-1** Designer: Pa Der Vang

SERIES Nucleus | Intensity | Burke Basics

ISOMETRIC VIEW

GROUP:
5-12 Structure|2-5 Structure|FS Panels|Freestanding

DESIGNED FOR AGES:
5 to 12, 2 to 5

Tucker Park
Compton, CA 90220-3630

Burke
PLAY THAT MOVES YOU

08/19/2024

Innovative Playgrounds
513-189783-1

Designer: Pa Der Vang

COLORS THAT MOVE YOU

POWDER COAT PAINT

PLATFORMS

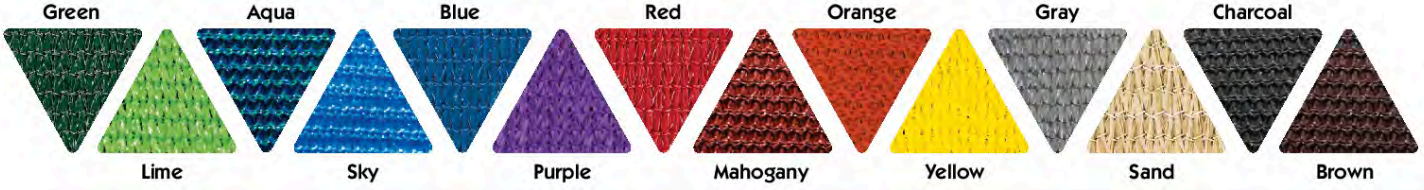
SOLIS HUE TOPPERS

TRADITIONAL SERIES SITE AMENITIES

ROCKIT CLIMBERS

HDPE PLASTIC PANELS

SHADE CANOPIES



ROTOMOLD PLASTIC

VISIT BCIBURKE.COM/COLOR TO CUSTOMIZE YOUR PLAYGROUND COLORS!

BURKE GENERATIONS WARRANTY®

BCI Burke Company, LLC ("Burke") warrants that all standard products are warranted to be free from defects in materials and workmanship, under normal use and service, for a period of one (1) year from the date of shipment.

We stand behind our products.

In addition, the following products are warranted, under normal use and service from the date of shipment as follows:

- One Hundred (100) Year Limited Warranty on aluminum and steel upright posts (including Nucleus®, Nucleus Evolution®, Nucleus Aspire™, Intensity®, Level X®, Synergy®, Synergy Imagination® & 4Me® against structural failure due to corrosion, deterioration or workmanship.
- One Hundred (100) Year Limited Warranty on KoreKonnect® clamps against structural failure due to corrosion, deterioration or workmanship.
- One Hundred (100) Year Limited Warranty on Hardware (nuts, bolts, washers)
- One Hundred (100) Year Limited Warranty on bolt-through fastening and clamp systems (Synergy®, Intensity®, Nucleus®).
- Twenty-Five (25) Year Limited Warranty on spring assemblies and aluminum cast animals.
- Fifteen (15) Year Limited Warranty on structure platforms and decks, metal roofs, table tops, bench tops, railings and barriers against structural failure due to materials or workmanship.
- Fifteen (15) Year Limited Warranty on all plastic components including StoneBorders against structural failure due to materials or workmanship.
- Ten (10) Year Limited Warranty on ShadePlay® Canopies fabric, threads, and cables against degradation, cracking or material breakdown resulting from ultra-violet exposure, natural deterioration or manufacturing defects. This warranty is limited to the design loads as stated in the specifications.natural deterioration or manufacturing defects. This warranty is limited to the design loads as stated in the specifications.
- Ten (10) Year Limited Warranty on NaturePlay® Boulders and GFRC products against structural failure due to natural deterioration or workmanship. Natural wear, which may occur with any concrete product with age, is excluded from this warranty.
- Ten (10) Year Limited Warranty on Full Color Custom Signage against manufacturing defects that cause delamination or degradation of the sign. Full Color Custom Signs also carry a two (2) year warranty against premature fading of the print and graphics on the signs.
- Five (5) Year Limited Warranty on Nucleus®, Intensity®, and RopeVenture® cables against premature wear due to natural deterioration or manufacturing defects. Determination of premature wear will be at the manufacturer's discretion.
- Five (5) Year Limited Warranty on rubber belt material against premature wear due to natural deterioration or manufacturing defects. Determination of premature wear will be at the manufacturer's discretion.
- Five (5) Year Limited Warranty on moving parts, including swing components, against structural failure due to materials or workmanship.
- Five (5) Year Limited Warranty on PlayEnsemble® cables and mallets against defects in materials and workmanship.
- Three (3) Year Limited Warranty on electronic panel speakers, sound chips and circuit boards against electronic failure caused by manufacturing defects.

The warranty stated above is valid only if the equipment is erected in conformity with the layout plan and/or installation instructions furnished by BCI Burke Company, LLC using approved parts; have been maintained and inspected in accordance with BCI Burke Company, LLC instructions. Burke's liability and your exclusive remedy hereunder will be limited to repair or replacement of those parts found in Burke's reasonable judgment to be defective. Any claim made within the above stated warranty periods must be made promptly after discovery of the defect. A part is covered only for the original warranty period of the applicable part. Replacement parts carry the applicable warranty from the date of shipment of the replacement from Burke. After the expiration of the warranty period, you must pay for all parts, transportation and service charges.

Burke reserves the right to accept or reject any claim in whole or in part. Burke will not accept the return of any product without its prior written approval. Burke will assume transportation charges for shipment of the returned product if it is returned in strict compliance with Burke's written instructions.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IF THE FOREGOING DISCLAIMER OF ADDITIONAL WARRANTIES IS NOT GIVEN FULL FORCE AND EFFECT, ANY RESULTING ADDITIONAL WARRANTY SHALL BE LIMITED IN DURATION TO THE EXPRESS WARRANTIES AND BE OTHERWISE SUBJECT TO AND LIMITED BY THE TERMS OF BURKE'S PRODUCT WARRANTY. SOME STATES DO NOT ALLOW THE EXCLUSION OF CERTAIN IMPLIED WARRANTIES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

Warranty Exclusions: The above stated warranties do not cover: "cosmetic" defects, such as scratches, dents, marring, or fading; damage due to incorrect installation, vandalism, misuse, accident, wear and tear from normal use, exposure to extreme weather; immersion in salt or chlorine water, unauthorized repair or modification, abnormal use, lack of maintenance, or other cause not within Burke's control; and

Limitation of Remedies: Burke is not liable for consequential or incidental damages, including but not limited to labor costs or lost profits resulting from the use of or inability to use the products or from the products being incorporated in or becoming a component of any other product. If, after a reasonable number of repeated efforts, Burke is unable to repair or replace a defective or nonconforming product, Burke shall have the option to accept return of the product, or part thereof, if such does not substantially impair its value, and return the purchase price as the buyer's entire and exclusive remedy. Without limiting the generality of the foregoing, Burke will not be responsible for labor costs involved in the removal of products or the installation of replacement products. Some states do not allow the exclusion of incidental damages, so the above exclusion may not apply to you.

The environment near a saltwater coast can be extremely corrosive. Some corrosion and/or deterioration is considered "normal wear" in this environment. Product installed within 500 yards of a saltwater shoreline will only be covered for half the period of the standard product warranty, up to a maximum of five years, for defects caused by corrosion. Products installed in direct contact with saltwater or that are subjected to salt spray are not covered by the standard warranty for any defects caused by corrosion.

Contact your local Burke Representative for warranty information regarding Burke Turf® and Burke Tile products.

Terms of Sale

Pricing: Prices published in this catalog are in USD, are approximate and do not include shipping & handling, surfacing, installation nor applicable taxes. All prices are subject to change without notice. Contact your Burke representative for current pricing. Payments are to be made in USD.

Weights: Weights are approximate and may vary with actual orders.

Installation: All equipment is shipped unassembled. For a list of factory-certified installers in your area, please contact your Burke representative.

Specifications: Product specifications in this catalog were correct at the time of publication. However, product improvements are ongoing at Burke, and we reserve the right to change or discontinue specifications without notice.

Loss or Damage in Transit: A signed bill of lading is our receipt from a carrier that our shipment to you was complete and in good condition upon arrival. Before you sign, please check the Bill of Lading carefully when the shipment arrives to make sure nothing is missing and there are no damages. Once the shipment leaves our plant, we are no longer responsible for any damage, loss or shortage.

For more information regarding the warranty, call Customer Service at 920-921-9220 or 1-800-356-2070. **01/2024**

Innovative Playgrounds Co., Inc.
12407 E. Slauson Ave. Unit D
Whittier, CA 90606
562-693-5200
www.innovplay.com

Estimate

ADDRESS	SHIP TO
City of Compton 205 S. Willowbrook Ave. Compton, CA 90220 SOURCEWELL ID# 21015	Tucker Park 650 W. Laurel St. Compton, CA 90220

ESTIMATE #	DATE	
10806	02/24/2025	

TRACKING NO.
New Play Unit_Opt. 2

SALES REP
Alvino

ACTIVITY	DESCRIPTION	AMOUNT
	Play Area	
DEMO-PLAY	Demo and dispose of existing play equipment.	13,873.24
DEMO-PIP	Demo and dispose of approx. (938) sq. ft. of existing PIP rubber surfacing at a 3.5" depth. Remove (938) sq. ft. of existing base at 8.5".	9,181.83
DEMO-EWF	Demo and dispose of approx. (3074) Sq. Ft. of woodchips at a 12" depth.	22,427.21
PREP WORK	Construct (205) LF of concrete curb 8" x 12".	13,339.44
PREP-BASE	Install (4,012) Sq. Ft. of aggregate base in sections of 7"-10" depth to prep for rubber surfacing.	19,532.23
PLAY UNIT	Supply Burke Play Equipment as per drawing #513-190555-2, includes (1) "Nucleus Evolution Tower Series" Unit for 5-12 age group with 5" OD aluminum posts, Shadeplay Single Post Hypar Integrated Shade, (1) "Nucleus Series" Unit for 2-5 age group with 5" OD aluminum posts, Ara Square Integrated Shade Canopy, (1) Burke 5" OD double bay arch frame swing at 8' toprail with (2) Belt Seats, (1) ADA Freedom Seat, (1) Konnection Parent/Child Swing, and PVC chains, (1) Kidforce Spinner, (4) ADA Accessible Activity Panel Clusters, (4) 6' Traditional Series Benches w/ Back, (2) PVC Litter Container w/ Flat Lid, and (2) Freestanding Welcome/Safety Age Sign. LIST PRICE: $193,545.00 "SOURCEWELL CUSTOMER DISCOUNT" APPLIED ($29,031.75) (Burke Sourcewell Contract # 010521-BUR)	164,513.25T
KIT-2	FREE Maintenance Kit (includes installation booklet, graffiti remover, tools and touch up Paint). LIST PRICE $250.00	0.00T
INSTALLATION-1	Install Burke Play Equipment as per drawing #513-190555-2 into base.	84,055.56
PIP-1	Supply approx. (4,012) Sq. Ft. of 2"-5" thick Pour in Place surfacing with 1/2" EPDM cap. PIP to be 33% color, 33% color (to be selected from manufacturer standard colors at time of order placement) and 33% black, with aliphatic binder.	61,775.01T
INSTALL-PIP	Install approx. (4,012) Sq. Ft. of 2"-5" thick Pour in Place surfacing with 1/2" EPDM cap and aliphatic binder.	41,150.29
	Picnic Shelter Area	
DEMO	Demo and dispose of existing wood picnic shelter. (Open Market)	10,563.38
DEMO	Demo and dispose of approx. (1335) sq. ft. of existing concrete and pavers. (Open Market)	8,461.27
PREP WORK	Construct (1,335) Sq. Ft. of concrete slab with dowels to existing sidewalk. (Open Market)	26,605.99
SHELTER-1	Supply (1) 20' Steelworx Hexagon Shelter w/ Vented Top, 7'6" Eave Height, Framework, w/ 24 ga MultiRib	27,242.65T

ESTIMATE VALID FOR 30 DAYS
Acceptance of estimate: the above prices, specifications and conditions are satisfactory and are hereby accepted. Any alterations or deviations from the above will be accepted only upon written notice and will become an extra charge over and above the estimate period. 50% deposit due with order, unless net 30 terms have been approved.

ACTIVITY	DESCRIPTION	AMOUNT
	Metal Roofing 4:12 Roof Pitch, w/ Polyester Powder Coated Framework, w/ 24 ga MultiRib Metal Roofing, Includes (1) electrical access hole. (Open Market) LIST PRICE: $28,676.47 IN KIND CUSTOMER DISCOUNT APPLIED: ($1,433.82)	
ENGINEERING	Engineering Fee for Shelter. (Open Market)	1,164.38
INSTALLATION-1	Install 20' Steelworx Hexagon Shelter into dirt, excludes all necessary electrical and conduit work. (Open Market)	57,394.37
PLAY EQUIPMENT	Supply Burke Site Amenities to include: (3) 580-1013 8' PVC Traditional Picnic Table, Portable LIST PRICE: $5,373.00 "SOURCEWELL CUSTOMER DISCOUNT" APPLIED ($805.95) (Burke Sourcewell Contract # 010521-BUR)	4,567.05T
PLAY EQUIPMENT	Supply Burke Site Amenities to include: (1) 580-0226 8' PVC Traditional ADA Picnic Table, One End LIST PRICE: $1,679.00 "SOURCEWELL CUSTOMER DISCOUNT" APPLIED ($251.85) (Burke Sourcewell Contract # 010521-BUR)	1,427.15T
PLAY EQUIPMENT	Supply Burke Site Amenities to include: (1) 580-0184 PVC LC Stat Flat Cover LIST PRICE: $784.00 "SOURCEWELL CUSTOMER DISCOUNT" APPLIED ($117.60) (Burke Sourcewell Contract # 010521-BUR)	666.40T
INSTALLATION-1	Install Burke Play Equipment (3) Picnic Tables, (1) ADA Table and (1) Trash Receptacle into concrete.	3,169.01
TEMP. FENCING	Prep-Provide temporary fencing during installation of play equipment and play area surfacing, and picnic shelter.	3,515.49
FREIGHT	Burke Shipping charge to COMPTON, CA. Freight price valid for 30 days only, due to fluctuating fuel pricing. Please requote after 03/20/25.	9,700.00
FREIGHT	PIP and Shelter Shipping charge to COMPTON, CA. Freight price valid for 30 days only, due to fluctuating fuel pricing. Please requote after 03/20/25.	11,464.20
INCLUDES	Pricing includes prevailing wage rates.	0.00T
EXCLUDES	Pricing excludes regular wage rates, permits, bonds, any border material and/or concrete curbing, fencing (permanent), special installation due to unforeseen site conditions and any additional site work/preparation/amenities. SPECIAL NOTE: City responsible for re-routing any irrigation lines. City to supply evening security. PAYMENT TERMS: NET 30 ON PO'S FROM CITIES, SCHOOL DISTRICTS, STATE, OR FEDERAL ENTITIES.	0.00T

SUBTOTAL	595,789.40
TAX (10.25%)	26,669.63
TOTAL	**$622,459.03**

Accepted By

Accepted Date

ESTIMATE VALID FOR 30 DAYS
Acceptance of estimate: the above prices, specifications and conditions are satisfactory and are hereby accepted. Any alterations or deviations from the above will be accepted only upon written notice and will become an extra charge over and above the estimate period. 50% deposit due with order, unless net 30 terms have been approved.

Model: Steelworx Hexagonal Shelter w/ Vented Top, 20'
Model # HX-20-SW-VT

Manufacturing Mission: To provide all prefabricated components and installation instructions for a 20' hexagonal (measured from eave to eave) free standing bolt together, tubular steel constructed shelter kit.

Design Criteria: Structure is typically designed for a 25 lb live load and a 90 mph wind load capacity, but can be designed based on specific site requirements upon request. All structural members are ASTM A-500 U.S. grade B steel. Welded connection plates shall be ASTM A-36 hot rolled steel. All fabrication performed to latest AISC standards by AWS Certified welders. All framing connections are done using A325 grade bolts within concealed access openings from above and will later be concealed by the roofing. All roof framing shall be flush against the roof decking to eliminate the possibility of bird nesting.

Tubular Steel Columns and Beams: Standard column dimension shall be 5" x 5" x 3/16" tubular steel welded to 5/8" base plates for surface mounting. Main support beams are 7" x 5" x 3/16" and purlins are 5" x 3" x 1/8". Steel sizes are preliminary and may change due to ongoing review and final engineering.

Roofing: 24 Ga. pre-cut steel Multi-Rib panels with Kynar 500 finish in a variety of colors with white underside. Standard roof slope is a 4/12 pitch with a eave height of 7'-6". Attached to framing with exposed screws painted to match roof color. Matching 24 Ga. trim included.

Frame Finish: All steel framework will receive a corrosion protective TGIC Polyester powder coat, electro-statically applied and cured at 400°F. A large selection of standard colors are available.

Foundation: All columns need to be anchored to concrete footings (footing design provided separately). Columns can be surface mounted to footings with anchor bolts at or below finish slab elevation or they can be embedded directly into the footing without base plates upon request. Anchor bolts and bracing templates are included. Optional base plate covers are available at an additional cost.

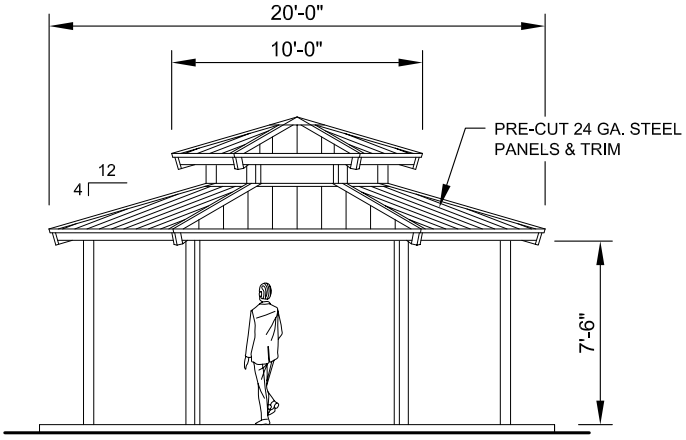
Hardware: All structural hardware and roofing fasteners shall be provided.

Warranty: 10 years against manufacturer defects.

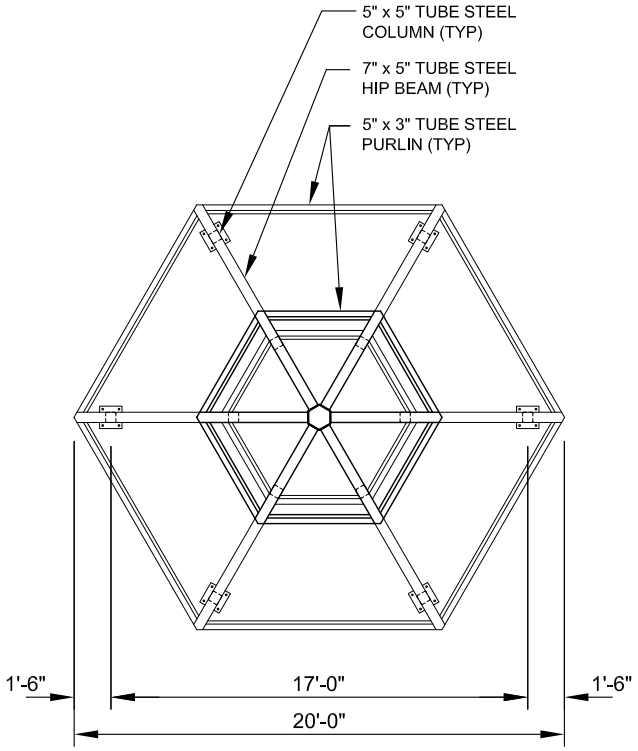
Not Included: Concrete work of any kind, unloading of product and installation.

Additional Options:

- Flexibility of Design Such as: Height and Pitch
- Additional Engineering
- Variety of Colors
- Decorative Railings, Lattice, Braces, Trim, etc.
- Cupolas and Rooftop Accs.
- Column Style Variations
- Provisions for Electrical
- Lexan Wind Screens
- Tongue & Groove Roof Decking
- Asphalt Shingles, Standing Seam, Cedar Shake, or Clay Tile Roofing
- Composite Finished Ceiling
- Solar Panels & Solar Lighting
- Site Furnishings and Accs.



ELEVATION
SCALE: NTS



FRAMING PLAN
SCALE: NTS

COVERWORX
Recreational Architecture
A Division of Ross & Barr Inc.

11800 East 9 Mile Road
Warren, MI 48089
Office: (586) 759-5490
Fax: (586) 754-9130
Toll Free: (800) 657-6118
Email: info@coverworx.net
www.CoverWorx.net

Steelworx Hexagonal Shelter w/ Vented Top - 20'

Model: HX-20-SW-VT

DESIGN SPECIFICATIONS

Burke
PLAY THAT MOVES YOU.
BCIBURKE.COM • 800.266.1250

TUCKER PARK

PROPOSAL #:513-189783-1

PLAY THAT MOVES YOU

Inclusive and full of excitement, this playspace is designed to bring people of all ages and abilities together outdoors for play, socialization and fun!

The excitement begins when you approach the playspace and take in its flowing lines and soaring heights – an adventure waiting to be discovered. Rise to the challenge of the Nucleus Evolution® tower with its sky-high rope climber and fast slides. Everyone can enjoy playing together with the accessible reach panels allowing children in wheelchairs to comfortably participate in multiple activities, while also developing fine motor skills. Inclusive, cooperative play also is fun when riding the Volta® Inclusive Spiner, swinging on the Freedom swing or letting their imagination go filed at the counter. Fostering intergenerational play and true connection, experience swinging with a caregiver or friend in the Konnection® Swing or spinning with multiple friends in the Volta® Inclusive Spiner. There is something for everyone!

Swinging, sliding, climbing, exercising, learning, bonding – this community playspace has something for everyone and will help people of all ages and abilities find the best of themselves through play.

Innovative PLAYGROUNDS co.

3D Designer: Kendra

FREEDOM SWING

TAKTIKS® BOW CLIMBER

CHARADE RING PANEL

EVOLUTION® CLIMBER

CAR ACCESSIBLE REACH PANEL

VOLTA® INCLUSIVE SPINNER

FORMIS® LADDER

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TUCKER PARK

PROPOSAL #:513-189783-1

Innovative PLAYGROUNDS co.

3D Designer: Kendra

PROPOSAL #:513-189783-1

TUCKER PARK

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PLAY THAT MOVES YOU.
BCIBURKE.COM • 800.266.1250

Innovative PLAYGROUNDS CO.

3D Designer: Kendra

MARCH 11, 2025

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: NEBRASKA JONES, DIRECTOR
GENERAL SERVICES DEPARTMENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND VOLUNTEERS OF AMERICA OF LOS ANGELES FOR INDOOR AND OUTDOOR SPACES AT 600 NORTH ALAMEDA STREET FOR A HEAD START PROGRAM.

SUMMARY

City Council will consider a request from Volunteers of America of Los Angeles ("Volunteers of America of Los Angles" or "VOALA") to enter into a three (3) year (March 1, 2025 through April 30, 2028) lease agreement, for use of approximately 4710 square feet of dedicated indoor space and approximately 4888 square feet of dedicated outdoor space at 600 Alameda, Compton, commonly known as the "Neighborhood Center" facility ("Facility").

BACKGROUND

The City of Compton owns certain real property located at 600 North Alameda Street, commonly known as the "Neighborhood Center*"* facility. This property is used as a "shared occupancy" facility, offering indoor and outside space for leasing to outside agencies, organizations, and individuals. Current tenants at this location include Shields for Families and Volunteers for Families.

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 the base minimum rental rate of One Dollar ($1.00) per square foot for indoor space and Fifty Cents ($0.50) per square foot for outdoor space, proposed lease agreements are to address the costs incurred by the City for utilities, maintenance and repairs, custodial and general security. At the 600 North Alameda Street the "Neighborhood Center" location, staff has identified that cost to be Two Dollars and Two cents ($2.02) per square foot.

On June 20, 2017, the Council approved Resolution No. 24,590 which authorized the City Manager to enter into a Three (3) year (i.e. July 1, 2017 through June 30, 2020); lease agreement with Volunteers of America for exclusive use of approximately 2,057 square feet of indoor space located at the Neighborhood Center building at the monthly rental rate of One Dollar ($1.00) per square foot of Two Thousand, Fifty-Seven Dollars ($2,057.00) per month, waiving the City's cost recovery.

On February 27, 2018, the Council approved Resolution No. 24,744 which authorized the City Manager to enter into a Three (3) years (i.e. July 1, 2017 through June 30, 2020); lease agreement with Volunteers of America for exclusive use of approximately 922 square feet of additional indoor space located at the Neighborhood Center building at the monthly rental rate of One Dollar ($1.00) per square foot for a total of Two Thousand, Nine Hundred and Seventy-Nine Dollars ($2,979) per mouth, waiving the City's cost recovery.

STATEMENT OF THE ISSUE

Volunteers of America of Los Angeles are a non-profit human services organization committed to serving people in need, strengthening families, and building communities. VOALA continues to this day as a faith-based organization with a broad scope of support and services for all regardless of race, gender, age or religious preference. Now in their second century of service, Volunteers of America is one of the nation's largest and most comprehensive human services organizations, touching the lives of more than 2 million people each year in hundreds of communities across the United States.

Volunteers of America Los Angeles, the Administration for Children and Families (ACF) provides programs the opportunity for supplemental funds to extend the duration of services to both Head Start and EHS Programs. The purpose is to increase the total annual hours of high-quality early education services offered to children enrolled in Head Start and EHS.

Volunteers of America now seeks City Council approval to enter into a three (3) year (March 1, 2025 through April 30, 2028) lease agreement, for occupation of the property – 4710 square feet of indoor space and 4888 square feet of outdoor space – located at 600 North Alameda Street.
VOALA is interested in leasing the subject property for the purpose of its Head Start and EHS Programs.

This proposed lease agreement will provide VOA with exclusive use of the following indoor spaces within the Neighborhood Center facility:

LOCATION	USE	SIZE	SQUARE FEET	CHANGE
Room 24	Office	17' x 16'	272 S.F.	
Room 25	Office	18' x 11'	198 S.F.	
Room 26	Office	18' x 12'	216 S.F.	
Room 27	Office	40' x 44'	1,760 S.F.	
Room 28	Office	10' x 17'	170 S.F.	
Room 29	Office	8’ x 17’	136 S.F.	
Room 30	Office	17 x 26’ – 23’ x 19’	879 S.F.	
Men Restroom		12’ x 12’	144 S.F.	
Women Restroom		23’ x 12’	276 S.F.	
Hallway 1		12’ x 12’	161 S.F.	
Corridor 1		23’ x 12’	498 S.F.	

Total Exclusive Square Footage 4,710 sq. feet

Gated Parking Lot	Outdoor		4888 S.F.	

Total Exclusive Square Footage 4888 sq. feet

FISCAL IMPACT

1. Approval of the proposed lease agreement at the requested rental rate of Three Dollars and Two Cents ($3.02) per square foot for occupation of approximately 4710 indoor space for a minimum monthly rental cost of Fourteen Thousand, Two Hundred and Twenty-Four dollars and Twenty Cents ($14,224. 20) and Fifty Cents ($0.50) per square feet for exclusive use of a total of approximately 4,888 square feet of outdoor space for a minimum monthly rental cost of Two Thousand and Four Hundred and Forty-four Dollars ($2,444.00). The fiscal impact of this proposed lease will amount to the collection of a total of Sixteen Thousand, Six Hundred and Sixty-Eight Dollars and Twenty Cents ($16,668.20) in monthly rent.

   Approval of the proposed lease agreement at the reduced rental rate of Two Dollars and Fifty-Two Cents ($2.52) per square feet for occupation of approximately 4710 indoor space, for a reduced monthly rental cost of Eleven Thousand, Eight Hundred Sixty-Nine Dollars and Twenty Cents ($11,869.20) and Fifty Cents ($0.50) per square feet for exclusive use of a total of approximately 4,888 square feet of outdoor space for a reduced monthly rental cost of Two Thousand and Four Hundred and Forty-four Dollars ($2,444.00). The fiscal impact of this proposed lease will amount to the collection of a total of Fourteen Thousand, Three Hundred and Thirteen Dollars and Twenty Cents ($14,313.20) in monthly rent.

RECOMMENDATION

Staff has no objection to Volunteers of America's request to rent square footage; however, staff is not authorized to offer and lease City-owned property wherein the terms sought by the prospective Tenant may vary from the requirements of the

City's Leasing Policy; that is, waiver of City costs for utilities, etc.; thus, staff makes no recommendation concerning this request. ***The decision is at the discretion of the City Council.***

**NEBRASKA JONES, DIRECTOR
GENERAL SERVICES DEPARTMENT**

APPROVED FOR FORWARDING:

**WILLIE A. HOPKINS.
CITY MANAGER**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND VOLUNTEERS OF AMERICA OF LOS ANGELES FOR INDOOR AND OUTDOOR SPACES AT 600 NORTH ALAMEDA STREET FOR A HEAD START PROGRAM.

WHEREAS, the City of Compton owns certain real property located at 600 North Alameda Street, commonly known as the "Neighborhood Center*"* facility, which is used as a "shared occupancy" facility, offering indoor and outside space for leasing to outside agencies, organizations, and individuals; and

WHEREAS, pursuant to guidance of the City Council, in November 2012, the City Manager implemented a City-wide leasing policy [Standard Operating Manual, Policy 4.17(A)], 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; and

WHEREAS, 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* and the standard leasing rate for City-owned outdoor space or vacant property shall be *at least* Fifty Cents ($0.50) per square foot; and

WHEREAS, in addition to the base minimum rental rate of $1.00 per square foot for indoor space and $0.50 per square foot for outdoor space, proposed lease agreements are to address the costs incurred by the City for utilities, maintenance and repairs, etc. and at Neighborhood Center facility, staff has identified that cost to be Two Dollars and Two Cents ($2.02) per square foot, thus the cost to the City will be recovered in a recommended minimal monthly rental rate based on a square footage charge of $3.02 for exclusive indoor spaces; and

WHEREAS, On June 20, 2017, the Council approved Resolution No. 24,590 which authorized the City Manager to enter into a Three (3) year (i.e. July 1, 2017 through June 30, 2020); lease agreement with Volunteers of America for exclusive use of approximately 2,057 square feet of indoor space located at the Neighborhood Center building at the monthly rental rate of One Dollar ($1.00) per square foot of Two Thousand, Fifty-Seven Dollars ($2,057.00) per month, waiving the City's cost recovery; and

WHEREAS, On February 27, 2018, the Council approved Resolution No. 24,744 which authorized the City Manager to enter into a Three (3) years (i.e. July 1, 2017 through June 30, 2020); lease agreement with Volunteers of America for exclusive use of approximately 922 square feet of additional indoor space located at the Neighborhood Center building at the monthly rental rate of One Dollar ($1.00) per square foot for a total of Two Thousand, Nine Hundred and Seventy-Nine Dollars ($2,979) per mouth; and

WHEREAS, Volunteers of America, a non-profit human services organization committed to serving people in need, strengthening families, and

building communities, seeks City Council approval to enter into a three (3) year (i.e. March 1, 2025 through April 30, 2028) lease agreement, for use of approximately 4,701 square feet of indoor space at the requested rental rate of Three Dollars and Two Cents ($3.02) per square foot for a minimum monthly rental rate of Fourteen Thousand, Two Hundred and Twenty-Four Dollars and Twenty Cents ($14,224.20) and approximately 4,888 square feet of outdoor space at the requested rental rate of Fifty Cents ($0.50) for a minimum rental rate of Two Thousand and Four Hundred and Forty-four Dollars ($2,444.00). The total requested rental amount will be Sixteen Thousand, Six Hundred and Sixty-Eight Dollars and Twenty Cents ($16,668.20) per month.

WHEREAS, Volunteers of America of Los Angeles are a non-profit human services organization committed to serving people in need, strengthening families, and building communities. VOALA continues to this day as a faith-based organization with a broad scope of support and services for all regardless of race, gender, age or religious preference. Now in their second century of service, Volunteers of America is one of the nation's largest and most comprehensive human services organizations, touching the lives of more than 2 million people each year in hundreds of communities across the United States. VOALA is interested in leasing the subject property for the purpose of its Head Start and EHS Programs; and

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 hereby authorized to enter into a three (3) year lease agreement, between the City of Compton and Volunteers of America to authorize the leasing of 4,710 square feet of indoor space and 4,888 square feet of outdoor space 600 North Alameda Street, Compton ("Neighborhood Center" facility), at the rental rate of Three Dollars and Two Cents ($3.02) per square foot for indoor space and Fifty Cents ($0.50) per square foot for the lease of the agreement term (i.e. March 1,2025 through April 30, 2028).

Section 2. That the monthly lease rate shall be Three Dollars and Two Cents ($3.02) for a total of Fourteen Thousand, Two Hundred and Twenty-Four dollars and Twenty Cents ($14,224.20) per square feet of indoor space total of 4,710 sq. ft., per month for the three (3) year term of the Lease.

Section 3. That the monthly lease rate shall be Fifty Cents ($0.50) for a total of Two Thousand and Four Hundred and Forty-four Dollars ($2,444.00) per square feet of outdoor space (total of 4,888 sq. ft.) per month for the three (3) year term of the Lease.

Section 4. That Volunteers of America of Los Angeles agrees to allow use of, without compensation of any form or manner, the indoor and outdoor spaces leased for their exclusive use at the Neighborhood Center on dates to be determined at a later date for the for the "Annual Compton Stand Down for Veterans" event.

Section 5. That Account No. 1001-000-000-3420 has been established to receive all facility lease payments.

Section 6. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Clerk, City Controller, General Services, Community Improvement Services-Security Division and the City Attorney.

Section 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, 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 _____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

LEASE AGREEMENT BETWEEN
CITY OF COMPTON
AND
VOLUNTEERS OF AMERICA

This **LEASE AGREEMENT** is entered into by and between the **CITY OF COMPTON,** a municipal corporation of the State of California (hereinafter referred to as **"OWNER")** and **VOLUNTEERS OF AMERICA OF LOS ANGELES** (hereinafter referred to as **"LESSEE"**), collectively, the "Parties."

RECITALS:

WHEREAS, the City of Compton (**"Owner"**), has under its jurisdiction certain real property located at **600 North Alameda Street, Compton, California**, also known as the "**Neighborhood Center**" facility (the "Site"); and

WHEREAS, on_____ the City Council adopted Resolution No. _____**,** which authorized the City Manager to enter into a lease agreement with the **Volunteers of America** ("Lessee") for a period of three (3) years, commencing March 1, 2025, through April 30, 2028 ot use for a **Head Start Program**; and

NOW, THEREFORE, Owner and Lessee, for the consideration, terms and conditions herein described, mutually agree as follows:

WITNESSETH:

Section 1. Premises. The Owner, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Lessee and upon the following terms and conditions, hereby leases to the Lessee, and the Lessee hereby hires and takes of and from the Owner, those certain Premises situated in the City of Compton, County of Los Angeles, State of California, more particularly described as:

Compton Neihborhood Center Facility
600 North Alameda Street
Compton, California 90220

[The "Site"]

Lessee shall lease approximately 4710 square feet of indoor office space and 4888 square feet of outdoor space within the Site building (as outlined on the attached Diagram/map of the Site/Premises). Lessee may also have access to and use of shared public spaces within the site.

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LOCATION	USE	SIZE	SQUARE FEET	CHANGE
Room 24	Office	17' x 16'	272 S.F.	
Room 25	Office	18' x 11'	198 S.F.	
Room 26	Office	18' x 12'	216 S.F.	
Room 27	Office	40' x 44'	1,760 S.F.	
Room 28	Office	10' x 17'	170 S.F.	
Room 29	Office	8’ x 17’	136 S.F.	
Room 30	Office	17 x 26’ – 23’ x 19’	879 S.F.	
Men Restroom		12’ x 12’	144 S.F.	
Women Restroom		23’ x 12’	276 S.F.	
Hallway 1		12’ x 12’	161 S.F.	
Corridor 1		23’ x 12’	498 S.F.	

Total Exclusive Square Footage 4,710 sq. feet

Gated Parking Lot	Outdoor		4888 S.F.	

Total Exclusive Square Footage 4888 sq. feet

[The “Premises”]

The Premises are leased in "AS IS" condition and Lessee acknowledges that it has inspected and accepts the Premises in their present condition as suitable for the purpose for which the Premises are leased. Taking of possession by Lessee shall be conclusive to establish that the Premises are in good and satisfactory condition when possession is taken. Owner makes no warranties or representation as to the suitability of the Premises for Lessee's intended use, including without limitation, as to zoning, visibility, traffic count or any other factors.

Section 2. Term. This Lease shall be for a term of three (3) years commencing on March 1, 2025, and shall terminate on April 30, 2028, unless

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extended or terminated as otherwise provided herein. This Lease shall supersede any previous Leases and/or agreements, written or oral.

Section 3. **Rent.** During the lease term, the Lessee shall pay rent to the Owner for the leased premises as follows:

- **Indoor Space:** The Lessee shall lease a total of 4,710 square feet of indoor space at a rental rate of Three Dollars and Two Cents **($3.02)** per square foot, which includes One Dollar (**$1.00)** per square foot for the base rental rate and Two Dollar and Two Cents (**$2.02)** per square foot for utilities. This results in a minimum monthly rental cost of Fourteen Thousand, Two Hundred and Twenty-Four dollars and Twenty Cents (**$14,224.20)**.
- **Outdoor Space:** The Lessee shall lease a total of 4,888 square feet of outdoor space at a rental rate of Fifty Cents (**$0.50)** per square foot, resulting in a minimum monthly rental cost of Two Thousand, Four Hundred and Forty-Four Dollars (**$2,444.00)**.

The total monthly rental amount for both indoor and outdoor spaces shall be Sixteen Thousand, Six Hundred and Sixty-Eight Dollars and Twenty Cents (**$16,668.20)**.

Lease payments shall be made by the Owner in advance on the first day of each month throughout the lease term. Any payment not received by the tenth (10th) day of the month shall be considered late, and a **Five percent** (**5%) late fee** (penalty) will be applied.

Payments shall be remitted to:

General Services Department
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director
Payable to: City of Compton
[Please identify your Lease Site on the payment]

[Lease Site: Neighborhood Center – 600 N. Alameda St.]

Section 4. **Use of Premises.** Lessee is entitled to use the Premises during normal building business days/hours (Mondays through Fridays, 7:00 a.m. to 6:00 p.m.), **(excepting legal City holidays)** for the following purpose(s) only:

Administrative Offices and Support Services

Lessee shall not use the Premises for any other purposes without the prior written consent of the Owner. Lessee shall not use the Premises for residential purposes or for any commercial purposes not stated herein. Lessee shall not use the Premises for the storage of unusable equipment or property or for the

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rental or storage of any type of equipment not integral to the purposes of the program.

Use of Premises at Shared Site on City Holidays and Non-Business Hours

On those dates designated by the City Council as legal City holidays, the Site (including the Premises) shall be closed. If Lessee desires to use the Premises on a City holiday or during hours not specified above, Lessee shall pay the City the costs (e.g. employees' salary) of providing access to the Premises/Site and for provision of City security (if applicable).

Lessee shall provide written notification to the General Services Department a minimum of three (3) business days in advance of its desire to use the Premises on a City holiday or during non-business building hours. Owner shall provide Lessee with an invoice for the costs owed by Lessee for access/use of the Premises on a City holiday or during non-business building hours, which shall be due and payable on receipt by the Lessee.

Section 5. Delivery of Premises. If Owner, for any reason, cannot deliver the Premises described above to Lessee at the commencement of the term hereof, Owner shall not be deemed to be in default hereunder, nor shall Owner be liable to Lessee for any loss or damage resulting directly or indirectly arising out of or resulting from such failure and Lessee at Lessee's option, may declare this Agreement to be null and void.

Section 6. Utilities and Other Services. Owner agrees to furnish the following utilities and services at Owner's expense during normal business hours:

a. Electricity for normal lighting and power for office use. Special or additional electrical requirements over and above the standard for general office uses will be charged directly to Lessee.

b. Heating/Cooling.

c. Hot and cold water.

d. Routine maintenance.

e. General/shared security for the Site.

Any and all other types of utilities (e.g. telephone, cable, etc.) and services shall be at the sole expense and responsibility of the Lessee. Prior written approval shall be required for the installation of any utility and/or service that will involve physical alteration of the Premises and/or Site. Lessee shall reimburse Owner for the cost of repairing any and all damages to the Premises and/or Site

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caused directly or indirectly by Lessee's utility or service provider or its equipment.

Owner shall in no way be liable or responsible for any loss, damage or expense that Lessee may sustain or incur by reason of any change, failure, interference, disruption or defect in the supply or character of the utilities and services supplied to Premises and/or Site, unless directly caused by the active negligence or willful misconduct of the Owner.

Section 7. Assignment and Subletting. Lessee agrees not to sublet the whole or part of the Premises, assign the Lease nor permit the use of the Premises by anyone other than the Lessee, its employees, business invitees, customers and patrons without in each case first securing the written consent of the Owner. Any attempted assignment or subletting of this Lease without the written consent of the Owner constitutes fraud and this Agreement shall be null and void.

Section 8. Alterations and Additions. Lessee shall not make any alterations or construct any additions or improvements in or on the Site and/or the Premises until the Owner has been provided with said plans and specifications for the project. Once the Owner has been provided with said plans and specifications, Owner shall have a fifteen (15) day minimum review period before granting Lessee approval or disapproval of the project in writing. Lessee shall, at the time of the request, specify if they desire to retain ownership and/or possession of the alteration, addition, or improvement subject to plan review by Owner at Lessee's expense.

Owner agrees that except for structural alterations, the Lessee may remove, during or at the expiration or other termination of the term of this Lease, or of any extension or holdover period thereof, as the case may be, personal property placed or installed in or upon the Site and/or the Premises by the Lessee or under its authority. Any personal property, improvements or additions not removed by Lessee within thirty (30) days after the end of the term, or any extension or holdover period thereof, shall automatically become the property of Owner.

Lessee shall repair any damage to the Site and/or the Premises caused by Lessee's installation and/or removal of its personal property, alterations, improvements or additions.

Lessee shall, at its sole cost and expense, be allowed to place its typical signage on the Building on the Site upon the Owner's advance written approval.

Section 9. Repairs and Maintenance. Owner shall not be responsible to make any repairs or alterations to the Premises, excepting due to reasonable

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normal wear and tear, and Lessee assumes any and all cost and liability for the repair and maintenance of the Premises leased herein, unless such repairs, alterations or maintenance are due to Owner's negligence or willful misconduct. Lessee agrees to repair any damage caused by Lessee, its employees, contractors, agents or invitees, negligently or otherwise, at its own expense, and maintain the Premises leased and to return said Premises to Owner in as good order, repair and condition as the same were in at the commencement of this Lease. Lessee must obtain prior written approval from the Owner prior to commencing any repairs to the leased Premises.

Lessee shall continue to maintain said Premises in good repair and tenable condition and in compliance with all health, safety and sanitation laws, ordinances and regulations of the State of California and local authorities throughout the term of the Lease.

Lessee agrees to keep Premises in good order and condition at their sole cost and expense. All work done by Lessee on the Premises shall be done in a lawful manner and in conformity with all applicable laws, ordinances and regulations. The Premises shall be kept free from any and all liens and charges on account of labor or materials used in contribution to any work thereon.

Unless otherwise required by law or expressly provided for within this Lease Agreement, Owner shall have no liability to Lessee for any condition on the Premises leased herein and Lessee agrees that it has inspected the same, knows the condition and takes this Lease with the Premises in its present condition. Lessee agrees to hold the Owner harmless from any and all liability arising out of or in connection with the use for the Premises leased here by the Lessee, its agents, employees business invitees, customers and patrons, except to the extent any such liability is attributable to Owner's negligence or willful misconduct.

Section 10. Insurance. Lessee shall furnish certificates of insurance, along with endorsements, issued to Owner substantiating the fact that it has taken out the specified insurance for the term covered by this Lease, or any extension or holdover period thereof, with an insurance carrier acceptable to the Owner under forms satisfactory to the Owner. Each certificate shall bear an endorsement precluding cancellation or reduction in coverage of any policy covered by such certificate except upon at least thirty (30) days prior written notice to Owner. It is agreed that Owner shall not be liable for the payment of any premiums or assessments on the insurance required.

Lessee shall present evidence of required insurance and certificate of endorsement to Owner no later than the commencement date of this Lease and each and every lease year thereafter. The Lessee shall not occupy the Premises

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until the Owner has received and approved the required certification. ***Failure on the part of the Lessee to procure or maintain insurance shall constitute a material breach upon which the Owner may immediately terminate this Lease Agreement.***

All insurance required hereunder shall be primary with respect to any insurance maintained by the City and shall not call on the City's program for contributions. Program(s) of insurance shall include:

a. **General Liability.** Lessee shall provide and maintain at its own expense during the term of this Lease Agreement a policy of Commercial General Liability Insurance, inclusive of personal injury liability and broad form property damage coverage, in an amount not less than **One Million Dollars ($1,000,000)** per occurrence. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

b. **Workers' Compensation Insurance.** Lessee shall provide and maintain at its own expense during the term of this Agreement a program of Workers' Compensation Insurance and Employer's Liability Insurance in an amount and form to meet all applicable requirements of the State Labor Code and which specifically covers all persons providing services by or on behalf of the Lessee and all risks to such persons under the Agreement.

c. **Fire and Casualty Insurance.** Lessee shall maintain fire insurance on such party's own equipment and property or to adequately self-insure the same. Lessee shall provide, or cause to be provided, and maintained at its sole cost property insurance in the amount of the value of the improvements on the Premises on a replacement cost basis. The property insurance shall insure against the perils of fire (with extended coverage), theft, vandalism, malicious mischief, collapse, flood, earthquake, windstorm and physical loss or damage. Owner will not keep improvements which are constructed or installed and owned by Lessee under the provisions of this Lease insured against fire or casualty, and Lessee will make no claim of any nature against Owner by reason of any damage to the business or property of Lessee in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of the Owner in the course of their employment.

d. **Insurance Endorsements.** The liability insurance policy(ies) shall be endorsed with the following language:

(1) The City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers are to be named and covered as "additional insureds" with respect to liability arising out of the activities of the Lessee.

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(2) The insurer waives all rights of subrogation against the City.

(3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City.

(4) Identify the leased Premises covered by the policy(ies) and the identity of the insured(s).

e. **Contractor's Insurance Requirements.** Lessee shall require that any contractors and subcontractors used to perform improvements/repairs to the building structure and Premises as provided in Sections 8 and 9 of this Lease Agreement to provide and maintain during the entire period of performing improvements/repairs the following programs of insurance:

(1) A policy of Commercial General Liability Insurance, inclusive of personal injury liability and broad form property damage coverage, in an amount not less than **One Million Dollars ($1,000,000.00)** per occurrence and **Two Million Dollars ($2,000,000.00)** general aggregate. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

(2) A program of Workers' Compensation Insurance and Employer's Liability Insurance in an amount and form to meet all applicable requirements of the State Labor Code and which specifically covers all persons providing services by or on behalf of the contractor and all risks to such persons.

(3) A program of Automobile Liability Insurance with a limit of liability of not less than One Million Dollars ($1,000,000.00) for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

(4) The Contractor(s) liability insurance policy(ies) shall be endorsed with the following language: The City and its respective elected and appointed officers, officials, employees, agents and volunteers are to be named and covered as "additional insureds" with respect to liability arising out of the activities of the contractor.

Insurance coverage specified herein constitutes the minimum requirements and said requirements shall in no way lessen or limit the liability of the Lessee and/or its contractors and subcontractors under the terms of the Lease Agreement. Lessee shall procure and maintain, at its own costs and expense, any additional kinds and amounts of insurance that, in its own judgment, may be necessary relating to Lessee's use of the Premises and improvement/repairs made to the Premises.

Section 11. <u>Losses.</u> Owner shall not be responsible for losses or damage to personal property, equipment or materials of Lessee. Owner will not keep

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improvements which are constructed or installed and owned by Lessee under the provisions of this Lease insured against fire or casualty, and Lessee will make no claim of any nature against Owner by reason of any damage to the business or property of Lessee in the event of damage or destruction by fire or other cause, arising other than from or out of the gross negligence or willful misconduct of agents or employees of the Owner in the course of their employment.

Section 12. Damage or Destruction.

a. Termination of Lease. If the entire Premises or any material portion thereof are damaged or destroyed by earthquake or other violent action of the elements, or by fire or other casualty such that it is difficult or impossible for Lessee to continue operating its business thereon, then either Owner or Lessee may cancel this Lease as of the date of damage or destruction by delivering written notice to the other within thirty (30) days following the damage or destruction. If the Lease is cancelled, Lessee shall surrender the Premises and shall not be obligated for any further rental payment and Owner shall refund any unearned rent paid in advance by Lessee, calculated at a daily rate based on the regular monthly rental.

Repair of Premises. In the event of any lesser damage by casualty (other than that caused by or do the actions/inactions of the Lessee), Owner shall, at Owner's cost and expense, promptly repair the same to the extent Owner's insurance proceeds are made available to Owner therefor and provided that (a) such repairs, in Owner's reasonable good faith opinion, can be commenced within thirty (30) days of the event which necessitated the repair and restoration, unless it is not reasonably possible to commence repair and restoration within thirty (30) days from the date of such damage or destruction (without payment of overtime or other premiums) and (b) the cost of such repairs, in Owner's reasonable good faith opinion, will not exceed 50% of the then replacement cost of the Site. If Owner is not required to repair such damage or destruction, then Owner shall, within 30 days from the date of such damage or destruction, either (i) notify Lessee in writing of Owner's election to repair such damage or destruction, in which event Owner shall promptly repair the same, or (ii) notify Lessee in writing of Owner's election to immediately terminate this Lease, in which event this Lease is terminated effective as of the date of such damage or destruction. Lessee may terminate this Lease effective as of the date of any such damage or destruction if Lessee reasonably determines in its good faith opinion that such damage or destruction substantially impairs the satisfactory operation of the Lessee's operations by notifying Owner in writing of Lessee's election to terminate not later than 30 days after the date of such damage or destruction.

Loss Caused by Lessee. If the Premises are wholly or partially damaged or destroyed as a result of the gross negligence or willful misconduct or omission of Lessee, Lessee shall forthwith diligently undertake to repair or restore all such damage destruction at Lessee's sole cost and expense. This Lease shall

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continue in full force and effect without any abatement or reduction in rent or other payments owed by Lessee, and this obligation of Lessee to repair or restore the Premises shall survive the cancellation of this Lease.

Exclusive Remedy. This Section 12 shall be Lessee's sole and exclusive remedy in the event of damage or destruction of the Premises, and Lessee waives and releases Lessee's rights under California Civil Code Section 1932 and 1933(4).

No damages, compensation or claim shall be payable by Owner for any inconvenience, any interruption or cessation of Lessee's business, or any annoyance, arising from any damage or destruction of all or any portion of the Premises.

Section 13. Hazard Materials. Lessee shall not use any Hazardous Materials in/or on Site or the Premises, except as necessary in the ordinary course of business and in full compliance with all Environmental Laws. Lessee will promptly notify Owner of any release or presence of any Hazardous Material in/on the Premises of which Lessee becomes aware.

a. Remediation. If Hazardous Materials are released at the Site and/or Premises by Lessee, its agents, employees, or contractors, then Lessee is solely responsible for the removal and/or remediation of any Hazardous Materials to the extent required by governmental authorities in compliance with applicable Environmental Laws.

b. Indemnification. Lessee shall indemnify and hold Owner harmless from and against any and all claims, actions, suits, proceedings, loss, liabilities, damages, fines, costs, or expense (including reasonable attorneys' fees, consultants' fees, investigation and laboratory fees, court costs, and litigation expenses), which arise from the presence of Hazardous Materials at the Site and/or Premises released by Lessee or its agents, employees, or contractors.

Section 14. Default. Lessee shall pay said rent to the Owner without deduction, default or delay. In the event of the failure of Lessee to do so, or in the event of a breach of any other terms, covenants or conditions herein contained on the part of Lessee to be kept and performed and if such default continues for a period of thirty (30) days after receipt of written notice from Owner to Lessee of such default, this Lease may be terminated. Owner may not terminate the Lease if (a) Lessee cures the default within the thirty (30) day period after notice of default is given, or (b) the default cannot reasonably be cured within thirty (30) days after notice of default is given, but Lessee reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default. In the event of termination of this Lease, it shall be lawful for Owner to reenter into and upon the Premises and every part thereof and to remove and store at Lessee's expense all property therefrom and to repossess and occupy

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the Premises. In addition thereto, Owner shall have such other rights or remedies as may be provided for by law.

Section 15. Holding Over. In case Lessee holds over beyond the term herein provided with the consent, express or implied, of the Owner, such tenancy shall be from month-to-month only, subject to the same terms and conditions of this Lease, but shall not be a renewal hereof. Such month-to-month tenancy shall be terminable on thirty (30) days written notice by either party to the other party.

Section 16. Cancellation Provision. Notwithstanding any other provisions contained herein, either party shall have the right to cancel this Lease, without cause, at anytime, upon thirty (30) days prior written notice to the other party.

Section 17. Owner's Access. Lessee agrees to permit the Owner or Owner's authorized agents, upon reasonable advance notice, free access to the Premises at all reasonable times for the purpose of inspection of the Premises or for making necessary alterations, improvements or major repairs.

Section 18. Discrimination. The Lessee herein covenants by and for itself, its heirs, executors, administrator, and assigns, and all persons claiming under or through it that this Lease is made, accepted and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, the leasing, subleasing, transferring, use, occupancy, tenure, enjoyment of the Premises herein leased nor shall the Lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with referenced to the selection, location, number, use of occupancy, of Lessees or vendees in the Premises herein leased.

Section 19. Indemnification. Lessee shall indemnify and save harmless the Owner, its officials, officers, employees, agents and volunteers (collectively hereafter the "Owner"), against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify and save the Owner from any and all liability and expense, including 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 in any way resulting from or arising out of Lessee's, its employees, contractors, agents or invitees negligent or intentional acts in or on the Premises, or from conduct of Lessee, its employees, contractors, agents or invitees practice or business from any activity, work or things done.

This indemnification and hold harmless obligation does not extend to claims arising out of the sole negligence or willful misconduct of the Owner.

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Section 20. Partnership Disclaimer. Lessee and any and all agents of Lessee shall act in an independent capacity and not as officers or employees of the Owner. Nothing herein contained shall be construed as constituting the parties herein as partners.

Section 21. Vacating Premises. Lessee shall, on the last day of said term or sooner termination of this Lease, peaceably and quietly leave, surrender and yield up to the Owner, the Premises in good order, condition and repair, reasonable use and wear thereof and damage by acts of nature, excepted.

Section 22. Compliance with Laws. Lessee shall at its sole cost and expense, comply with all the laws and requirements of all municipal, county, state and federal authorities now in force, or which may hereafter be in force pertaining to the Premises and use of the Premises as provided by this Lease.

Section 23. Easements and Right of Way. This Lease is subject to all existing easements and right of way. Owner further reserves the right to grant additional public utility easements as may be necessary and Lessee hereby consents to the granting of any such easements. The public utility will be required to reimburse Lessee for any damages suffered by Lessee caused by the construction work on the easement area.

Section 24. Parking Access. Unless specifically provided herein, if off-street parking is provided at the Site of the Premises, Lessee, its employees and invitees may have equal access to non-restricted/non-reserved parking spaces provided to all Lessees on a first-come, first-served basis.

Section 25. Relocation. Lessee acknowledges that Lessee, its employees, contractors, subordinates and assigns are not entitled to any Relocation Payment or Relocation Advisory Assistance due to their occupancy of the Premises.

Section 26. Failure to Perform. In the event of the failure, neglect or refusal of Lessee to do, or perform work, or any part thereof, of any act or thing in this Lease provided to be done and performed by Lessee, Owner shall, at its option, have the right to do and perform the same, and Lessee hereby covenants and agrees to pay Owner the costs thereof on demand.

Section 27. Binding on Successors. Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of the Owner, and wherever the context permits or requires the successors in interest to the Lessee.

Section 28. Amendments. This Lease Agreement may be modified or amended only be written document executed by both Lessee and Owner's City Manager and approved as to form by the City Attorney. Such document shall

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expressly state that it is intended by the parties to amend the terms and conditions of this Lease Agreement.

Section 29. Waivers. A waiver by either party to this Agreement of any breach of any terms, covenants or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

Section 30. Governing Law and Severability. This Agreement shall be governed by and construed under the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

Section 31. Notices. All notices, demands or requests to be given under this Lease Agreement shall be given in writing and conclusively shall be deemed received when: (a) delivered personally, or (b) on the fifth (5th) business day after the deposit thereof in the United States mail, postage prepaid, and addressed as hereinafter provided, or (c) one business day after send by facsimile transmission.

To OWNER:
City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director, General Services Department
(310) 605-5519
(310) 605-1753 – fax.

With copy to:
City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

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To LESSEE: **Volunteers of America**
3600 Wilshire Blvd
Los Angeles, California 90010
Attn:Veronica Lara, Chief Operting Officer
(213) 389-1500

Section 32. Entire Agreement. This Lease and any exhibits or attachments hereto and incorporated herein constitute the entire agreement of Owner and Lessee. There are no agreements, terms, conditions or obligations other than those set forth herein.

This Lease shall supersede all previous communications, representations or agreements, either verbal or written between Owner and Lessee. This agreement may be modified only by written agreement signed by both Owner and Lessee.

IN WITNESS WHEREOF, Lessee has executed this Lease and the Owner, by its City Manager, who is authorized to do so, has executed this Lease.

VOLUNTEERS OF AMERICA/LESSEE

By _____ **Dated:** _____
Veronica Lara, Chief Operating Officer

CITY OF COMPTON/OWNER
Recommended for Approval:

By _____ **Dated:** _____
Nebraska Jones, Director
General Services Department

Approved by:

DRAFT

By _____ **Dated:** _____
Willie A. Hopkins, Jr., City Manager

Approved as to form:

By _____ **Dated:** _____
Eric J. Perrodin, City Attorney

ATTEST:

Dated: _____ **By** _____
Santra D. Zurita, City Clerk

Encl:
Resolution No. _____

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VOA Head Start/EHS

198
Room 25

216
Room 26

Hall 1

272
Room 24

Room 23

Room 22

Room 21

Room 20

Corridor 1

1760

Room 27

468

170
Room 28

144
Men
RR

Room 29
136

276
Women
RR

Room 30
879

Outdoor Space

4888

Indoor Space 4710 sf

Outdoor Space 4888 sf

General Notes

No.	Revision/Issue	Date

Project Name and Address

600 N Willowbrook Ave
City of Compton, CA 90221

Project

Date
8/4/2015

Date

Sheet
A1

#11.

March 11, 2025

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **NEBRASKA JONES**
GENERAL SERVICES DIRECTOR

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT BETWEEN VOLUNTEERS OF AMERICA OF LOS ANGELES TO PROVIDE SPACE AT THE CITY-OWNED PROPERTY LOCATED AT (700 NORTH BULLIS ROAD)**

SUMMARY

The City Council will consider a request by Volunteers of America of Los Angeles ("Volunteers of America") to enter into a three (3) year (i.e. March 1, 2025 through April 30, 2028) lease agreement with the City of Compton City-owned property located at 700 North Bullis Road, Compton, to authorize the leasing of 7,329 square feet of indoor space at the rental rate of One Dollar ($1.00) per square foot.

BACKGROUND

The City of Compton owns certain real property located at 700 North Bullis Road, commonly known as the "Career link" facility. This property is used as a "shared occupancy" facility, offering indoor space for leasing to outside agencies, organizations, and individuals.

Pursuant to guidance of the City Council, In November 2012, the City Manager implemented a City-wide leasing policy which specifies that lease rates shall be on the square footage of the area(s) subject to the exclusive use/occupation of the tenant 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.*** Proposed lease agreements are to address the costs incurred by the City for utilities, maintenance, repairs, security, etc. At the Career link location, staff has identified that cost to Two Dollars and Two Cents ($2.02) per square foot. Thus, the cost to the City will be recovered in a recommended minimal monthly rental rate based on a square footage charge of Three Dollars and Two Cents ($3.02) (i.e. $1.00 per square foot base rental rate plus $2.02 per square foot) for utilities.

STATEMENT OF THE ISSUE

According to the Lessee, Volunteers of America is a non-profit human services organization committed to serving people in need, strengthening families and building

communities as a faith-based organization with a broad scope of support and services for all regardless of race, gender, age or religious preference. In their second century of service, Volunteers of America is one of the nation's largest and most comprehensive human services organizations, touching the lives of more than 2 million people each year in hundreds of communities across the United States.

This proposed lease agreement will provide Volunteers of America with exclusive use of the following indoor space at the Career link facility:

LOCATION	USE	SQUARE FEET
Room 1B	Office	302 sq. ft.
Lobby 2	Lobby	2727 sq. ft.
Room 3B	Office	193 sq. ft.
Conference Room	Conference Room	381 sp. Ft.
Room 7B	Office	389 sq. ft.
Room 8B	Office	143 sq. ft.
Reception Area	Reception Area	143 sq. ft.
Room 9B	Office	208 sq. ft.
Room 10B	Office	380 sq. ft.
Room 11B	Office	169 sq. ft.
Room 12B	Office	238 sq. ft.
Room 13B	Office	182 sq. ft.
Room 14B	Office	238 sq. ft.
Storage room	Storage	51 sq. ft.
Men's Restroom	Restroom	72 sq. ft.
Women's Restroom	Restroom	72 sq. ft.
Hallway	Hallway	432 sq. ft.
Room 11A	Office	778 sq. ft.

Total Exclusive Indoor Square Footage **7329 square feet**

Volunteers of America needs a location for its California Intervention and Prevention (CALVIP) Program and seeks City Council approval to enter into a three (3) year lease agreement with the City of Compton, beginning March 1, 2025 through April 30, 2028, for exclusive occupation of the above-indicated indoor space located at the Neighborhood Center. Volunteer of America is interested in leasing the subject property for the purpose of developing and implementing programming for at-risk transition-aged youth between 18-25 years old. The program would include a comprehensive employment and life skills training program to prepare youth for stable, independent lives outside of gang involvement and will service approximately 300 youth.

Volunteers of America has requested to enter into a three (3) year lease agreement commencing March 1, 2025 through April 30, 2028 to authorize the leasing of a total of 7,329 square feet of indoor space at the rental rate of Two Dollars and Fifty-Two Cents ($2.52) per square foot, which will bring the total rental amount to Eighteen Thousand, Four Hundred Sixty-Nine Dollars and Eight Cents ($18,469.08) per month. Volunteers of America shall be responsible for providing the general upkeep, janitorial, custodial, minor repairs and security for their entire areas and the City will be responsible for major and structural upkeep/repairs.

FISCAL IMPACT

Approval of the Volunteers of America's requested lease agreement reduced rental rate of Two Dollars and Fifty-Two Cents ($2.52) per square feet for occupation of approximately 7,329 square feet of indoor office space, will total Eighteen Thousand, Four Hundred Sixty-Nine Dollars and Eight Cents ($18,469.08) per month in rental fees for use of the City's facilities.

Approval of the proposed lease agreement at the requested Three Dollars and Two Cents ($3.02) per square foot for occupation of approximately 7,329 square feet of indoor office space will total of Twenty-Two Thousand, One Hundred Thirty-Three Dollars and Fifty-Eight Cents ($22,133.58) per month in rental fees for use of the City's facilities.

RECOMMENDATION

Staff has no objection to Volunteers of America's request to rent square footage; however, staff is not authorized to offer and lease City-owned property wherein the terms sought by the prospective Tenant may vary from the requirements of the City's Leasing Policy; that is, waiver of City costs for utilities, etc.; thus, staff makes no recommendation concerning this request. ***The decision is at the discretion of the City Council.***

NEBRASKA JONES, DIRECTOR
GENERAL SERVICES DEPARTMENT

APPROVED FOR FORWARDING:

WILLIE HOPKINS
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT BETWEEN VOLUNTEERS OF AMERICA OF LOS ANGELES TO PROVIDE SPACE AT THE CITY-OWNED PROPERTY LOCATED AT (700 NORTH BULLIS ROAD)

WHEREAS, the City of Compton owns certain real property located at 700 North Bullis Road, commonly known as the "Career link*"* facility, which is used as a "shared occupancy" facility, offering indoor space for leasing to outside agencies, organizations, and individuals; and

WHEREAS, in November 2012, the City implemented a City-wide leasing policy which specifies that lease rates shall be based on the square footage of the area(s) subject to the exclusive use/occupation of the tenant 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;* and

WHEREAS, in addition, the proposed lease agreements are to address the costs incurred by the City for utilities, maintenance, repairs, security, etc. and at the Career link facility, staff has identified that cost to be Two Dollars and Two Cents ($2.02) per square foot; thus, the cost to the City will be recovered in a recommended minimal monthly rental rate based on a square footage charge of Three Dollars and Two Cents ($3.02) for exclusive indoor spaces; and

WHEREAS, Volunteers of America is a non-profit human services organization committed to serving people in need, strengthening families and building communities as a faith-based organization with a broad scope of support and services for all regardless of race, gender, age or religious preference. In their second century of service, Volunteers of America is one of the nation's largest and most comprehensive human services organizations, touching the lives of more than 2 million people each year in hundreds of communities across the United States; and

WHEREAS, Volunteers of America has requested to enter into a three (3) year lease agreement commencing March 1, 2025 through April 30, 2028 to authorize the leasing of a total of 7,329 square feet of indoor space at the reduced rental rate of Two Dollars and Fifty-Two Cents ($2.52) per square foot, which will bring the total rental amount to Eighteen Thousand, Four Hundred Sixty-Nine Dollars and Eight Cents ($18,469.08) per month. Volunteers of America shall be responsible for providing the general upkeep, janitorial, custodial, minor repairs and security for their entire areas and the City will be responsible for major and structural upkeep/repairs.

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 hereby authorized to enter into a three (3) year lease agreement between the City of Compton and Volunteers of America to authorize the leasing of 7,329 square feet of indoor space at 700 North Bullis Road, Compton ("Career Link" facility), at the rental rate of Three Dollars and Two Cents ($3.02) per square foot for the lease agreement term (i.e. March 1, 2025 through April 30, 2028).

Section 2. That commencing on March 1, 2025, the monthly lease rate shall be Twenty-Two Thousand, One Hundred and Thirty-Three Dollars and Fifty-Eight Cents ($22,133.58) – i.e. Three Dollars and Two Cents ($3.02) per square foot for the total 7,329 square feet in the facility leased to Volunteers of America.

Section 3. That Account No. 1001-000-000-3420 has been established to receive all facility lease payments.

Section 4. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Clerk, City Controller, General Services, Community Improvement Services-Security Division 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 _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, 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 _____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

LEASE AGREEMENT BETWEEN
CITY OF COMPTON
AND
VOLUNTEERS OF AMERICA

This **LEASE AGREEMENT** is entered into by and between the **CITY OF COMPTON,** a municipal corporation of the State of California (hereinafter referred to as **"OWNER")** and **VOLUNTEERS OF AMERICA OF LOS ANGELES** (hereinafter referred to as **"LESSEE"**), collectively, the "Parties."

RECITALS:

WHEREAS, the City of Compton (**"Owner"**), has under its jurisdiction certain real property located at **700 North Bullis Street, Compton, California**, also known as the "**Career Link**" facility (the "Site"); and

WHEREAS, on_____ the City Council adopted Resolution No. _____**,** which authorized the City Manager to enter into a lease agreement with the **Volunteers of America** ("Lessee") for a period of three (3) years, commencing March 1, 2025, through April 30, 2028; and

NOW, THEREFORE, Owner and Lessee, for the consideration, terms and conditions herein described, mutually agree as follows:

WITNESSETH:

Section 1. Premises. The Owner, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Lessee and upon the following terms and conditions, hereby leases to the Lessee, and the Lessee hereby hires and takes of and from the Owner, those certain Premises situated in the City of Compton, County of Los Angeles, State of California, more particularly described as:

Compton Career Link Facility
700 North Bullis Street
Compton, California 90220

[The "Site"]

Lessee shall lease approximately 7,329 square feet of indoor office space within the Site building (as outlined on the attached Diagram/map of the Site/Premises). Lessee may also have access to and use of shared public spaces within the site.

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LOCATION	USE	SQUARE FEET
Room 1B	Office	302 sq. ft.
Lobby 2	Lobby	2727 sq. ft.
Room 3B	Office	193 sq. ft.
Conference Room	Conference Room	381 sp. Ft.
Room 7B	Office	389 sq. ft.
Room 8B	Office	143 sq. ft.
Reception Area	Reception Area	143 sq. ft.
Room 9B	Office	208 sq. ft.
Room 10B	Office	380 sq. ft.
Room 11B	Office	169 sq. ft.
Room 12B	Office	238 sq. ft.
Room 13B	Office	182 sq. ft.
Room 14B	Office	238 sq. ft.
Storage room	Storage	51 sq. ft.
Men's Restroom	Restroom	72 sq. ft.
Women's Restroom	Restroom	72 sq. ft.
Hallway	Hallway	432 sq. ft.
Room 11A	Office	778 sq. ft.

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Total Exclusive Square Footage 7329 sq. feet

[The "Premises"]

The Premises are leased in "AS IS" condition and Lessee acknowledges that it has inspected and accepts the Premises in their present condition as suitable for the purpose for which the Premises are leased. Taking of possession by Lessee shall be conclusive to establish that the Premises are in good and satisfactory condition when possession is taken. Owner makes no warranties or representation as to the suitability of the Premises for Lessee's intended use,

including without limitation, as to zoning, visibility, traffic count or any other factors.

Section 2. Term. This Lease shall be for a term of three (3) years commencing on March 1, 2025, and shall terminate on April 30, 2028, unless extended or terminated as otherwise provided herein. This Lease shall supersede any previous Leases and/or agreements, written or oral.

Section 3. Rent. During the lease term, the Lessee shall pay rent to the Owner for the leased premises as follows:

- **Indoor Space:** The Lessee shall lease a total of 7,329 square feet of indoor space at a rental rate of Three Dollars and Two Cents **($3.02)** per square foot, which includes One Dollar (**$1.00)** per square foot for the base rental rate and Two Dollar and Two Cents (**$2.02)** per square foot for utilities. This results in a minimum monthly rental cost of Twenty-Two Thousand, One Hundred Thirty-Three Dollars and Fifty-Eight Cents **($22,133.58).**

Lease payments shall be made by the Owner in advance on the first day of each month throughout the lease term. Any payment not received by the tenth (10th) day of the month shall be considered late, and a **Five percent** (**5%) late fee** (penalty) will be applied.

Payments shall be remitted to:

General Services Department
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director
Payable to: City of Compton
[Please identify your Lease Site on the payment]

[Lease Site: Careerlink Facility – 700 N. Bullis Rd.]

Section 4. Use of Premises. Lessee is entitled to use the Premises during normal building business days/hours (Mondays through Fridays, 7:00 a.m. to 6:00 p.m.), **(excepting legal City holidays)** for the following purpose(s) only:

Administrative Offices and Support Services

Lessee shall not use the Premises for any other purposes without the prior written consent of the Owner. Lessee shall not use the Premises for residential purposes or for any commercial purposes not stated herein. Lessee shall not use the Premises for the storage of unusable equipment or property or for the rental or storage of any type of equipment not integral to the purposes of the program.

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Use of Premises at Shared Site on City Holidays and Non-Business Hours

On those dates designated by the City Council as legal City holidays, the Site (including the Premises) shall be closed. If Lessee desires to use the Premises on a City holiday or during hours not specified above, Lessee shall pay the City the costs (e.g. employees' salary) of providing access to the Premises/Site and for provision of City security (if applicable).

Lessee shall provide written notification to the General Services Department a minimum of three (3) business days in advance of its desire to use the Premises on a City holiday or during non-business building hours. Owner shall provide Lessee with an invoice for the costs owed by Lessee for access/use of the Premises on a City holiday or during non-business building hours, which shall be due and payable on receipt by the Lessee.

Section 5. Delivery of Premises. If Owner, for any reason, cannot deliver the Premises described above to Lessee at the commencement of the term hereof, Owner shall not be deemed to be in default hereunder, nor shall Owner be liable to Lessee for any loss or damage resulting directly or indirectly arising out of or resulting from such failure and Lessee at Lessee's option, may declare this Agreement to be null and void.

Section 6. Utilities and Other Services. Owner agrees to furnish the following utilities and services at Owner's expense during normal business hours:

a. Electricity for normal lighting and power for office use. Special or additional electrical requirements over and above the standard for general office uses will be charged directly to Lessee.

b. Heating/Cooling.

c. Hot and cold water.

d. Routine maintenance.

e. General/shared security for the Site.

Any and all other types of utilities (e.g. telephone, cable, etc.) and services shall be at the sole expense and responsibility of the Lessee. Prior written approval shall be required for the installation of any utility and/or service that will involve physical alteration of the Premises and/or Site. Lessee shall reimburse Owner for the cost of repairing any and all damages to the Premises and/or Site caused directly or indirectly by Lessee's utility or service provider or its equipment.

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Owner shall in no way be liable or responsible for any loss, damage or expense that Lessee may sustain or incur by reason of any change, failure, interference, disruption or defect in the supply or character of the utilities and services supplied to Premises and/or Site, unless directly caused by the active negligence or willful misconduct of the Owner.

Section 7. Assignment and Subletting. Lessee agrees not to sublet the whole or part of the Premises, assign the Lease nor permit the use of the Premises by anyone other than the Lessee, its employees, business invitees, customers and patrons without in each case first securing the written consent of the Owner. Any attempted assignment or subletting of this Lease without the written consent of the Owner constitutes fraud and this Agreement shall be null and void.

Section 8. Alterations and Additions. Lessee shall not make any alterations or construct any additions or improvements in or on the Site and/or the Premises until the Owner has been provided with said plans and specifications for the project. Once the Owner has been provided with said plans and specifications, Owner shall have a fifteen (15) day minimum review period before granting Lessee approval or disapproval of the project in writing. Lessee shall, at the time of the request, specify if they desire to retain ownership and/or possession of the alteration, addition, or improvement subject to plan review by Owner at Lessee's expense.

Owner agrees that except for structural alterations, the Lessee may remove, during or at the expiration or other termination of the term of this Lease, or of any extension or holdover period thereof, as the case may be, personal property placed or installed in or upon the Site and/or the Premises by the Lessee or under its authority. Any personal property, improvements or additions not removed by Lessee within thirty (30) days after the end of the term, or any extension or holdover period thereof, shall automatically become the property of Owner.

Lessee shall repair any damage to the Site and/or the Premises caused by Lessee's installation and/or removal of its personal property, alterations, improvements or additions.

Lessee shall, at its sole cost and expense, be allowed to place its typical signage on the Building on the Site upon the Owner's advance written approval.

Section 9. Repairs and Maintenance. Owner shall not be responsible to make any repairs or alterations to the Premises, excepting due to reasonable normal wear and tear, and Lessee assumes any and all cost and liability for the repair and maintenance of the Premises leased herein, unless such repairs, alterations or maintenance are due to Owner's negligence or willful misconduct.

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Lessee agrees to repair any damage caused by Lessee, its employees, contractors, agents or invitees, negligently or otherwise, at its own expense, and maintain the Premises leased and to return said Premises to Owner in as good order, repair and condition as the same were in at the commencement of this Lease. Lessee must obtain prior written approval from the Owner prior to commencing any repairs to the leased Premises.

Lessee shall continue to maintain said Premises in good repair and tenable condition and in compliance with all health, safety and sanitation laws, ordinances and regulations of the State of California and local authorities throughout the term of the Lease.

Lessee agrees to keep Premises in good order and condition at their sole cost and expense. All work done by Lessee on the Premises shall be done in a lawful manner and in conformity with all applicable laws, ordinances and regulations. The Premises shall be kept free from any and all liens and charges on account of labor or materials used in contribution to any work thereon.

Unless otherwise required by law or expressly provided for within this Lease Agreement, Owner shall have no liability to Lessee for any condition on the Premises leased herein and Lessee agrees that it has inspected the same, knows the condition and takes this Lease with the Premises in its present condition. Lessee agrees to hold the Owner harmless from any and all liability arising out of or in connection with the use for the Premises leased here by the Lessee, its agents, employees business invitees, customers and patrons, except to the extent any such liability is attributable to Owner's negligence or willful misconduct.

Section 10. Insurance. Lessee shall furnish certificates of insurance, along with endorsements, issued to Owner substantiating the fact that it has taken out the specified insurance for the term covered by this Lease, or any extension or holdover period thereof, with an insurance carrier acceptable to the Owner under forms satisfactory to the Owner. Each certificate shall bear an endorsement precluding cancellation or reduction in coverage of any policy covered by such certificate except upon at least thirty (30) days prior written notice to Owner. It is agreed that Owner shall not be liable for the payment of any premiums or assessments on the insurance required.

Lessee shall present evidence of required insurance and certificate of endorsement to Owner no later than the commencement date of this Lease and each and every lease year thereafter. The Lessee shall not occupy the Premises until the Owner has received and approved the required certification. ***Failure on the part of the Lessee to procure or maintain insurance shall constitute a***

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material breach upon which the Owner may immediately terminate this Lease Agreement.

All insurance required hereunder shall be primary with respect to any insurance maintained by the City and shall not call on the City's program for contributions. Program(s) of insurance shall include:

a. **General Liability.** Lessee shall provide and maintain at its own expense during the term of this Lease Agreement a policy of Commercial General Liability Insurance, inclusive of personal injury liability and broad form property damage coverage, in an amount not less than **One Million Dollars ($1,000,000)** per occurrence. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

b. **Workers' Compensation Insurance.** Lessee shall provide and maintain at its own expense during the term of this Agreement a program of Workers' Compensation Insurance and Employer's Liability Insurance in an amount and form to meet all applicable requirements of the State Labor Code and which specifically covers all persons providing services by or on behalf of the Lessee and all risks to such persons under the Agreement.

c. **Fire and Casualty Insurance.** Lessee shall maintain fire insurance on such party's own equipment and property or to adequately self-insure the same. Lessee shall provide, or cause to be provided, and maintained at its sole cost property insurance in the amount of the value of the improvements on the Premises on a replacement cost basis. The property insurance shall insure against the perils of fire (with extended coverage), theft, vandalism, malicious mischief, collapse, flood, earthquake, windstorm and physical loss or damage. Owner will not keep improvements which are constructed or installed and owned by Lessee under the provisions of this Lease insured against fire or casualty, and Lessee will make no claim of any nature against Owner by reason of any damage to the business or property of Lessee in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of the Owner in the course of their employment.

d. **Insurance Endorsements.** The liability insurance policy(ies) shall be endorsed with the following language:

(1) The City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers are to be named and covered as "additional insureds" with respect to liability arising out of the activities of the Lessee.

(2) The insurer waives all rights of subrogation against the City.

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(3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City.

(4) Identify the leased Premises covered by the policy(ies) and the identity of the insured(s).

e. **Contractor's Insurance Requirements.** Lessee shall require that any contractors and subcontractors used to perform improvements/repairs to the building structure and Premises as provided in Sections 8 and 9 of this Lease Agreement to provide and maintain during the entire period of performing improvements/repairs the following programs of insurance:

(1) A policy of Commercial General Liability Insurance, inclusive of personal injury liability and broad form property damage coverage, in an amount not less than **One Million Dollars ($1,000,000.00)** per occurrence and **Two Million Dollars ($2,000,000.00)** general aggregate. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

(2) A program of Workers' Compensation Insurance and Employer's Liability Insurance in an amount and form to meet all applicable requirements of the State Labor Code and which specifically covers all persons providing services by or on behalf of the contractor and all risks to such persons.

(3) A program of Automobile Liability Insurance with a limit of liability of not less than One Million Dollars ($1,000,000.00) for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

(4) The Contractor(s) liability insurance policy(ies) shall be endorsed with the following language: The City and its respective elected and appointed officers, officials, employees, agents and volunteers are to be named and covered as "additional insureds" with respect to liability arising out of the activities of the contractor.

Insurance coverage specified herein constitutes the minimum requirements and said requirements shall in no way lessen or limit the liability of the Lessee and/or its contractors and subcontractors under the terms of the Lease Agreement. Lessee shall procure and maintain, at its own costs and expense, any additional kinds and amounts of insurance that, in its own judgment, may be necessary relating to Lessee's use of the Premises and improvement/repairs made to the Premises.

Section 11. <u>Losses.</u> Owner shall not be responsible for losses or damage to personal property, equipment or materials of Lessee. Owner will not keep improvements which are constructed or installed and owned by Lessee under the provisions of this Lease insured against fire or casualty, and Lessee will make no

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claim of any nature against Owner by reason of any damage to the business or property of Lessee in the event of damage or destruction by fire or other cause, arising other than from or out of the gross negligence or willful misconduct of agents or employees of the Owner in the course of their employment.

Section 12. Damage or Destruction.

a. Termination of Lease. If the entire Premises or any material portion thereof are damaged or destroyed by earthquake or other violent action of the elements, or by fire or other casualty such that it is difficult or impossible for Lessee to continue operating its business thereon, then either Owner or Lessee may cancel this Lease as of the date of damage or destruction by delivering written notice to the other within thirty (30) days following the damage or destruction. If the Lease is cancelled, Lessee shall surrender the Premises and shall not be obligated for any further rental payment and Owner shall refund any unearned rent paid in advance by Lessee, calculated at a daily rate based on the regular monthly rental.

Repair of Premises. In the event of any lesser damage by casualty (other than that caused by or do the actions/inactions of the Lessee), Owner shall, at Owner's cost and expense, promptly repair the same to the extent Owner's insurance proceeds are made available to Owner therefor and provided that (a) such repairs, in Owner's reasonable good faith opinion, can be commenced within thirty (30) days of the event which necessitated the repair and restoration, unless it is not reasonably possible to commence repair and restoration within thirty (30) days from the date of such damage or destruction (without payment of overtime or other premiums) and (b) the cost of such repairs, in Owner's reasonable good faith opinion, will not exceed 50% of the then replacement cost of the Site. If Owner is not required to repair such damage or destruction, then Owner shall, within 30 days from the date of such damage or destruction, either (i) notify Lessee in writing of Owner's election to repair such damage or destruction, in which event Owner shall promptly repair the same, or (ii) notify Lessee in writing of Owner's election to immediately terminate this Lease, in which event this Lease is terminated effective as of the date of such damage or destruction. Lessee may terminate this Lease effective as of the date of any such damage or destruction if Lessee reasonably determines in its good faith opinion that such damage or destruction substantially impairs the satisfactory operation of the Lessee's operations by notifying Owner in writing of Lessee's election to terminate not later than 30 days after the date of such damage or destruction.

Loss Caused by Lessee. If the Premises are wholly or partially damaged or destroyed as a result of the gross negligence or willful misconduct or omission of Lessee, Lessee shall forthwith diligently undertake to repair or restore all such damage destruction at Lessee's sole cost and expense. This Lease shall continue in full force and effect without any abatement or reduction in rent or

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other payments owed by Lessee, and this obligation of Lessee to repair or restore the Premises shall survive the cancellation of this Lease.

Exclusive Remedy. This Section 12 shall be Lessee's sole and exclusive remedy in the event of damage or destruction of the Premises, and Lessee waives and releases Lessee's rights under California Civil Code Section 1932 and 1933(4).

No damages, compensation or claim shall be payable by Owner for any inconvenience, any interruption or cessation of Lessee's business, or any annoyance, arising from any damage or destruction of all or any portion of the Premises.

Section 13. Hazard Materials. Lessee shall not use any Hazardous Materials in/or on Site or the Premises, except as necessary in the ordinary course of business and in full compliance with all Environmental Laws. Lessee will promptly notify Owner of any release or presence of any Hazardous Material in/on the Premises of which Lessee becomes aware.

a. Remediation. If Hazardous Materials are released at the Site and/or Premises by Lessee, its agents, employees, or contractors, then Lessee is solely responsible for the removal and/or remediation of any Hazardous Materials to the extent required by governmental authorities in compliance with applicable Environmental Laws.

b. Indemnification. Lessee shall indemnify and hold Owner harmless from and against any and all claims, actions, suits, proceedings, loss, liabilities, damages, fines, costs, or expense (including reasonable attorneys' fees, consultants' fees, investigation and laboratory fees, court costs, and litigation expenses), which arise from the presence of Hazardous Materials at the Site and/or Premises released by Lessee or its agents, employees, or contractors.

Section 14. Default. Lessee shall pay said rent to the Owner without deduction, default or delay. In the event of the failure of Lessee to do so, or in the event of a breach of any other terms, covenants or conditions herein contained on the part of Lessee to be kept and performed and if such default continues for a period of thirty (30) days after receipt of written notice from Owner to Lessee of such default, this Lease may be terminated. Owner may not terminate the Lease if (a) Lessee cures the default within the thirty (30) day period after notice of default is given, or (b) the default cannot reasonably be cured within thirty (30) days after notice of default is given, but Lessee reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default. In the event of termination of this Lease, it shall be lawful for Owner to reenter into and upon the Premises and every part thereof and to remove and store at Lessee's expense all property therefrom and to repossess and occupy the Premises. In addition thereto, Owner shall have such other rights or remedies as may be provided for by law.

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Section 15. Holding Over. In case Lessee holds over beyond the term herein provided with the consent, express or implied, of the Owner, such tenancy shall be from month-to-month only, subject to the same terms and conditions of this Lease, but shall not be a renewal hereof. Such month-to-month tenancy shall be terminable on thirty (30) days written notice by either party to the other party.

Section 16. Cancellation Provision. Notwithstanding any other provisions contained herein, either party shall have the right to cancel this Lease, without cause, at anytime, upon thirty (30) days prior written notice to the other party.

Section 17. Owner's Access. Lessee agrees to permit the Owner or Owner's authorized agents, upon reasonable advance notice, free access to the Premises at all reasonable times for the purpose of inspection of the Premises or for making necessary alterations, improvements or major repairs.

Section 18. Discrimination. The Lessee herein covenants by and for itself, its heirs, executors, administrator, and assigns, and all persons claiming under or through it that this Lease is made, accepted and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, the leasing, subleasing, transferring, use, occupancy, tenure, enjoyment of the Premises herein leased nor shall the Lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with referenced to the selection, location, number, use of occupancy, of Lessees or vendees in the Premises herein leased.

Section 19. Indemnification. Lessee shall indemnify and save harmless the Owner, its officials, officers, employees, agents and volunteers (collectively hereafter the "Owner"), against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify and save the Owner from any and all liability and expense, including 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 in any way resulting from or arising out of Lessee's, its employees, contractors, agents or invitees negligent or intentional acts in or on the Premises, or from conduct of Lessee, its employees, contractors, agents or invitees practice or business from any activity, work or things done.

This indemnification and hold harmless obligation does not extend to claims arising out of the sole negligence or willful misconduct of the Owner.

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Section 20. Partnership Disclaimer. Lessee and any and all agents of Lessee shall act in an independent capacity and not as officers or employees of the Owner. Nothing herein contained shall be construed as constituting the parties herein as partners.

Section 21. Vacating Premises. Lessee shall, on the last day of said term or sooner termination of this Lease, peaceably and quietly leave, surrender and yield up to the Owner, the Premises in good order, condition and repair, reasonable use and wear thereof and damage by acts of nature, excepted.

Section 22. Compliance with Laws. Lessee shall at its sole cost and expense, comply with all the laws and requirements of all municipal, county, state and federal authorities now in force, or which may hereafter be in force pertaining to the Premises and use of the Premises as provided by this Lease.

Section 23. Easements and Right of Way. This Lease is subject to all existing easements and right of way. Owner further reserves the right to grant additional public utility easements as may be necessary and Lessee hereby consents to the granting of any such easements. The public utility will be required to reimburse Lessee for any damages suffered by Lessee caused by the construction work on the easement area.

Section 24. Parking Access. Unless specifically provided herein, if off-street parking is provided at the Site of the Premises, Lessee, its employees and invitees may have equal access to non-restricted/non-reserved parking spaces provided to all Lessees on a first-come, first-served basis.

Section 25. Relocation. Lessee acknowledges that Lessee, its employees, contractors, subordinates and assigns are not entitled to any Relocation Payment or Relocation Advisory Assistance due to their occupancy of the Premises.

Section 26. Failure to Perform. In the event of the failure, neglect or refusal of Lessee to do, or perform work, or any part thereof, of any act or thing in this Lease provided to be done and performed by Lessee, Owner shall, at its option, have the right to do and perform the same, and Lessee hereby covenants and agrees to pay Owner the costs thereof on demand.

Section 27. Binding on Successors. Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of the Owner, and wherever the context permits or requires the successors in interest to the Lessee.

Section 28. Amendments. This Lease Agreement may be modified or amended only be written document executed by both Lessee and Owner's City Manager and approved as to form by the City Attorney. Such document shall

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expressly state that it is intended by the parties to amend the terms and conditions of this Lease Agreement.

Section 29. Waivers. A waiver by either party to this Agreement of any breach of any terms, covenants or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

Section 30. Governing Law and Severability. This Agreement shall be governed by and construed under the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

Section 31. Notices. All notices, demands or requests to be given under this Lease Agreement shall be given in writing and conclusively shall be deemed received when: (a) delivered personally, or (b) on the fifth (5th) business day after the deposit thereof in the United States mail, postage prepaid, and addressed as hereinafter provided, or (c) one business day after send by facsimile transmission.

To OWNER:
City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director, General Services Department
(310) 605-5519
(310) 605-1753 – fax.

With copy to:
City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

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To LESSEE: **Volunteers of America**
3600 Wilshire Blvd
Los Angeles, California 90010
Attn: Veronica Lara, Chief Operting Officer
(213) 389-1500

Section 32. Entire Agreement. This Lease and any exhibits or attachments hereto and incorporated herein constitute the entire agreement of Owner and Lessee. There are no agreements, terms, conditions or obligations other than those set forth herein.

This Lease shall supersede all previous communications, representations or agreements, either verbal or written between Owner and Lessee. This agreement may be modified only by written agreement signed by both Owner and Lessee.

IN WITNESS WHEREOF, Lessee has executed this Lease and the Owner, by its City Manager, who is authorized to do so, has executed this Lease.

VOLUNTEERS OF AMERICA/LESSEE

By _____ **Dated:** _____
Veronica Lara, Chief Operating Officer

CITY OF COMPTON/OWNER
Recommended for Approval:

By _____ **Dated:** _____
Nebraska Jones, Director
General Services Department

Approved by:

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By _____ **Dated:** _____
Willie A. Hopkins, Jr., City Manager

Approved as to form:

By _____ **Dated:** _____
Eric J. Perrodin, City Attorney

ATTEST:

Dated: _____ **By** _____
Santra D. Zurita, City Clerk

Encl:
Resolution No. _____

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Volunteers of America
LOS ANGELES

February 26, 2025

VIA CERTIED MAIL & EMAIL

ATTN: Director, General Services Department
City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

earteaga@comptoncity.org

RE: LETTER OF INTENT TO LEASE
700 NORTH BULLIS ROAD, COMPTON, CA 90221

To Whom It May Concern:

Volunteers of America of Los Angeles ("VOALA" or "Tenant") provides this Letter of Intent to Lease the property commonly known as 700 N. Bullis Road, Compton, CA 90221 from the City of Compton ("Landlord" or "Owner"), a municipal corporation of the State of California.

The terms and conditions of this LOI are as follows:

Location:	700 N. Bullis Road, Compton, CA 90221.
Premises:	Tenant shall lease the Location, which consists of 7,329 square feet of usable space.
Lease Commencement Date:	March 1, 2025
Delivery of Premises:	The date Landlord delivers exclusive possession of the Premises.
Lease Term:	Thirty-six (36) months.
Early Access:	Tenant shall have access to the Premises seven (7) days prior to the Commencement Date. Any such early occupancy shall be subject to the terms and conditions of the Lease, except the obligation to pay Rent or additional sums due.
Base Rent:	$18,469.08 ($2.52 per sq foot) per month for the term and, if applicable, the renewal term.
Additional Rent:	$1,656.00 per month.

Rent Commencement Date:	Rent Commencement Date shall be on March 1, 2025. Base and Additional Rent is due in advance on the first day of each month of the term. Any payment received by Lanlord beyond the tenth (10^{th}) day of the month will be deemed late.
Roof, Plumbing, and HVAC:	Landlord shall guarantee the roof, all HVAC, and plumbing to the Premises to be in good working order throughout the term of the Lease and, if applicable, any renewal term(s).
Fire Life Testing:	Tenant shall only be responsible for its share of the cost of Fire Life testing and upkeep.
Access:	Tenant access to the premises and the building 24 hours per day, 7 days per week, 52 weeks per year.
Security Deposit:	Equal to last month's Base Rent and payable upon lease execution. The Security Deposit and/or an itemized breakdown of any deductions, if applicable, shall be returned to Tenant within 30 days of the termination of the Lease.
Lease:	Within 14 days, Landlord shall provide its standard lease form for Tenant review and comment, via either a word or pdf document. Upon acceptance of the terms, both parties shall timely execute the agreed-upon Lease.
Option to Renew:	Tenant shall have one (1) option to renew for a term of twenty-four (24) months. Tenant shall notify Landlord at least 60 days prior to the end of the term in writing (email ok) of its intent to exercise the renewal option.
Tenant's Loss of Funding:	Tenant shall have the ongoing option to terminate the Lease in the event Tenant experiences either non-award, non-renewal, loss, or reduction of funding for the program(s) being administered from the Premises. Tenant shall provide Landlord with minimum sixty (60) days prior written notice and written declaration stating the triggering event/basis for termination under this section, which shall constitute sufficient proof to invoke Tenant's rights under this section. No other proof or demonstration shall be required.

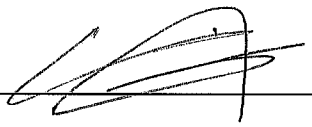
Both parties agree that the terms set forth herein are intended merely as an outline for negotiation of a potential lease transaction to be documented by formal written agreement, and only reflect the present understanding of the discussions that we have had regarding the terms and conditions of the proposed transaction. Both parties agree that in no event does this proposal constitute a formal or binding agreement and that the provisions hereof are not binding on the undersigned. Landlord and Tenant each acknowledge and agree that each party is proceeding with negotiations related to the proposed transaction at its sole cost and expense and that either party may terminate negotiations for any reason, at any time, without any liability or obligation whatsoever.

Sincerely,

Juana Rivas
Senior Property Services

AGREED AND ACCEPTED:

Tenant: Volunteers of America of Los Angeles

By: 

Name: Veronica Lara

Its: Chief Operating Officer

Date: 2/26/25

Landlord: City of Compton

By: _____

Name: _____

Its: _____

Date: _____

March 11, 2025

TO: **MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING ITS INTENT TO ESTABLISH AN UNDERGROUND UTILITY DISTRICT IN ACCORDANCE WITH SOUTHERN CALIFORNIA EDISION'S RULE 20A, SECTION 5896.8 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND THE COMPTON MUNICIPAL CODE SECTION 26-4**

SUMMARY

Adoption of this Resolution declares the City of Compton's intent to establish an Underground Utility District in accordance with the Southern California Edison's (SCE) Rule 20A, Section 5896.8 of the California Streets and Highways Code and the Compton Municipal Code Section 26-4.

BACKGROUND

The California Public Utilities Commission's (CPUC) Rule 20 program sets policies and procedures for the conversion of overhead power lines and other equipment to underground facilities, a process called "undergrounding".

Southern California Edison (SCE) allocates rate funds (Rule 20A) to communities for undergrounding based on previous allocations, the ratio of customers served by overhead facilities to all the customers in the community, and the fraction that customers in the community represent of all SCE customers. In order to expend Rule 20A funds, a municipality must first create an Underground Utility District identifying where the funds would be expended.

Since funds are limited and undergrounding costs are significant, local governments frequently accumulate their Rule 20A allocations before starting an undergrounding project. The City of Compton currently has $5,668,365 in work credits accumulated for this purpose, but has not yet created an Underground Utility District.

Rule 20A allows Southern California Edison (Edison) to remove poles, overhead wires and associated overhead structures, and the underground installation of wire and facilities for supplying electricity, communication and similar services to Underground Utility Districts.

Southern California Edison Rule 20A facilitates the conversion of overhead electric facilities to underground systems in areas where the public benefit is demonstrated.

California Streets and Highways Code

In anticipation of making such a finding, the City Council will adopt a resolution of intention, pursuant to Section 5896.8 of the Streets and Highways Code, declaring its intention to order the conversion of overhead utility wires and related facilities to designated underground locations.

Pursuant to the California Streets and Highways Code and the Compton Municipal Code, the City of Compton is authorized to establish an Underground Utility District in order to facilitate the underground installation of overhead utility wires and related facilities. It has been recommended that an Underground Utility District be established in an area of the City more specifically described below and hereinafter referred to as the “Designated Area.

Designated Area

The City of Compton has identified Myrrh Street (from Oleander Avenue to Acacia Avenue) and Acacia Avenue (from Myrrh Street to Alondra Boulevard) as a priority location for undergrounding utilities due to safety concerns, aesthetic improvements, and alignment with the city planning goals. This area has been selected based on high pedestrian activity, visual enhancement goals, and traffic concerns.

The City Council has determined that a public hearing is necessary to provide an opportunity to hear comments from all interested persons, including the utility companies and residents affected by the proposed plan to establish an Underground Utility District in the Designated Area.

Compton Municipal Code Section 26-4

The Compton Municipal Code Section 26-4 empowers the City Council to designate areas as Underground Utility Districts upon finding that the public necessity, health, safety, or welfare requires such action. The formal designation of a District follows a public hearing, at which time, the Council may adopt a resolution describing the boundaries and setting a timeline for the removal and underground installation of utilities.

In connection with establishing an undergrounding utility district and pursuant to the Compton Municipal Code Section 26-4, the City Council may call public hearings to determine whether the public necessity, health, safety or welfare requires: (1) the removal of utility poles, overhead wires and associated overhead

structures within designated areas, and (2) the underground installation of wires and facilities supplying electricity, communication, or similar or associated service.

Findings

Pursuant to the Compton Municipal Code Section 26-4, staff has determined that:

1. **Public Necessity:** The undergrounding of utilities in this area will improve access and reduce potential hazards related to overhead utility lines.
2. **Health and Safety**: Removal of overhead lines minimizes risks associated with severe weather events, vehicle collisions, and fire hazards.
3. **Welfare:** Undergrounding enhances the visual appeal of the area, contributing to economic development and improved quality of life for residents.

Next Steps

The City intends to proceed with the necessary steps leading to the formal establishment of the Underground Utility District, including:

- Notification of affected property owners and stakeholders
- Coordination with Southern California Edison and other utility providers
- Preparation of a detailed engineering and construction schedule
- Scheduling of a public hearing for City Council's consideration and final approval

STATEMENT OF ISSUE

In order for the City of Compton to declare its intent to establish an Underground Utility District in accordance with the Southern California Edison's Rule 20A, Section 5896.8 of the California Streets and Highways Code, and the Compton Municipal Code Section 26-4, City Council's authorization is necessary.

ALTERNATIVE

The Rule 20A work credits in the amount of $5,668,365 will expired in June 2025. Therefore, no other alternative is being proposed at this time.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Staff recommends the City Council adopt the attached Resolution.

JOHN D. STRICKLAND, JR.
DIRECTOR OF PUBLIC WORKS

APPROVED FOR FORWARDING:

WILLIE A. HOPKINS, JR.
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING ITS INTENT TO ESTABLISH AN UNDERGROUND UTILITY DISTRICT IN ACCORDANCE WITH SOUTHERN CALIFORNIA EDISON'S RULE 20A, SECTION 5896.8 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND THE COMPTON MUNICIPAL CODE SECTION 26-4

WHEREAS, the California Public Utilities Commission's (CPUC) Rule 20 program sets policies and procedures for the conversion of overhead power lines and other equipment to underground facilities, a process called "undergrounding"; and

WHEREAS, Southern California Edison (SCE) allocates rate funds (Rule 20A) to communities for undergrounding based on previous allocations, the ratio of customers served by overhead facilities to all the customers in the community, and the fraction that customers in the community represent of all SCE customers; and

WHEREAS, in order to expend Rule 20A funds, a municipality must first create an Underground Utility District identifying where the funds would be expended; and

WHEREAS, since funds are limited and undergrounding costs are significant, local governments frequently accumulate their Rule 20A allocations before starting an undergrounding project; and

WHEREAS, the City of Compton currently has $5,668,365 in funding accumulated for this purpose, but has not yet created an Underground Utility District; and

WHEREAS, Rule 20A allows Southern California Edison (Edison) to remove poles, overhead wires and associated overhead structures, and the underground installation of wire and facilities for supplying electricity, communication and similar services to Underground Utility Districts; and

WHEREAS, Southern California Edison Rule 20A facilitates the conversion of overhead electric facilities to underground systems in areas where the public benefit is demonstrated; and

WHEREAS, in anticipation of making such a finding, the City Council will adopt a resolution of intention, pursuant to Section 5896.8 of the Streets and Highway Code, declaring its intention to order the conversion of overhead utility wires and related facilities to designated underground locations; and

WHEREAS, pursuant to the California Streets and Highways Code and the Compton Municipal Code, the City of Compton is authorized to establish an Underground Utility District in order to facilitate the underground installation of overhead utility wires and related facilities and it has been recommended that an Underground Utility District be established in an area of the City more specifically described below and hereinafter referred to as the "Designated Area; and

WHEREAS, the City of Compton has identified Myrrh Street (from Oleander Avenue to Acacia Avenue) and Acacia Avenue (from Myrrh Street to Alondra Boulevard) as a priority location for undergrounding utilities due to safety concerns, aesthetic improvements, and alignment with the city planning goals and this area has been selected based on high pedestrian activity, visual enhancement goals, and traffic concerns; and

WHEREAS, the City Council has determined that a public hearing is necessary to provide an opportunity to hear comments from all interested persons, including the utility companies and residents affected by the proposed plan to establish an Underground Utility District in the Designated Area; and

WHEREAS, the Compton Municipal Code Section 26-4 empowers the City Council to designate areas as Underground Utility Districts upon finding that the public necessity, health, safety, or welfare requires such action; and

WHEREAS, the formal designation of a District follows a public hearing, at which time, the Council may adopt a resolution describing the boundaries and setting a timeline for the removal and underground installation of utilities; and

WHEREAS, in connection with establishing an Undergrounding Utility District and pursuant to the Compton Municipal Code Section 26-4, the City Council may call public hearings to determine whether the public necessity, health, safety or welfare requires: (1) the removal of utility poles, overhead wires and associated overhead structures within designated areas, and (2) the underground installation of wires and facilities supplying electricity, communication, or similar or associated service; and

WHEREAS, pursuant to the Compton Municipal Code Section 26-4, staff has determined that:

1. **Public Necessity:** The undergrounding of utilities in this area will improve access and reduce potential hazards related to overhead utility lines.
2. **Health and Safety**: Removal of overhead lines minimizes risks associated with severe weather events, vehicle collisions, and fire hazards.
3. **Welfare:** Undergrounding enhances the visual appeal of the area, contributing to economic development and improved quality of life for residents.

; and

WHEREAS, the City intends to proceed with the necessary steps leading to the formal establishment of the Underground Utility District, including:

- Notification of affected property owners and stakeholders
- Coordination with Southern California Edison and other utility providers
- Preparation of a detailed engineering and construction schedule
- Scheduling of a public hearing for City Council's consideration and final approval

; and

WHEREAS, in order for the City of Compton to declare its intent to establish an Underground Utility District in accordance with the Southern California Edison's Rule 20A, Section 5896.8 of the California Streets and Highways Code, and the Compton Municipal Code Section 26-4, City Council's authorization is necessary.

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

SECTION 1. That the City Council will adopt a resolution of intention, pursuant to Section 5896.8 of the Streets and Highways Code declaring its intention to order the conversion of overhead utility wires and related facilities to designated underground locations.

SECTION 2. That pursuant to the California Streets and Highways Code and the Compton Municipal Code, the City of Compton is authorized to establish and Underground Utility District in order to facilitate the underground installation of overhead utility wires, and related facilities and it has been recommended that an Underground Utility District be established.

SECTION 3. That the City of Compton has identified Myrrh Street (from Oleander Avenue to Acacia Avenue) and Acacia Avenue (from Myrrh Street to Alondra Boulevard) as a priority location for undergrounding utilities due to safety concerns, aesthetic improvements, and alignment with the city planning goals and this area has been selected based on high pedestrian activity, visual enhancement goals, and traffic concerns.

SECTION 4. That the Compton Municipal Code Section 26-4 empowers the City Council to designate areas as Underground Utility Districts upon finding that the public necessity, health, safety, or welfare requires such action.

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

ADOPTED this _____ day of _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was passed and 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 _____, 2025.

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

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

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

SOUTHERN CALIFORNIA EDISON
An *EDISON INTERNATIONAL* Company

Paul D. Reyes
Project Manager
Rule 20 Project Management

January 24, 2025

City of Compton
Willie Hopkins
City Manager
220 E Mountain View St # A
Barstow, CA

SUBJECT: Compton's 2024 Rule 20A Work Credit Balance

Dear Willie Hopkins:

Southern California Edison (SCE) has filed with the California Public Utilities Commission (CPUC) its SCE Electric Rule 20 Programs annual report. This letter serves as our Rule 20 Annual Update to you regarding your status as it relates to the Rule 20A program.

On June 3, 2021, the California Public Utility Commission (CPUC) issued a Decision that revises the CPUC's Electric Rule 20 program. The Decision discontinues the authorization of new Electric Rule 20A work credit allocations. As such, there are no work credits being allocated for 2025. As of this writing, **Compton's** work credit balance is **$5,668,365.**

Please note **Compton** currently has an **Inactive** status as of January 1, 2025.

Any work credits that have not been allocated to a community with an active Rule 20 A project will expire in June 2025. Pursuant to D.23-06-008 with effective date of June 8, 2023, any Rule 20A work credit that has not been allocated to a community with an Active Rule 20A Project within two years of the effective date of this decision shall be deemed expired. Any Rule 20A work credit that has not been deducted from a community's work credit balance by December 31, 2033, shall be deemed expired.

Cities and counties could maintain active underground programs to avoid reallocation of Rule 20A work credits. To qualify as a community with an active underground program, the governing body must have adopted an ordinance creating an underground district that meets the criteria in CPUC Resolution E-4971 and must have an identified project that meets the Rule 20 Tariff criteria and does not exceed the community's work credit balance.

SCE has determined that your community has been deemed **inactive**. **Compton's** current work credit balance of **$5,668,365** is set to expire in June of 2025, and will be eligible for reallocation to an active community after this date. Should you desire to retain your work credits, and avoid expiration/reallocation, both of the following conditions must be completed prior to June 2025:

1) A suitable project location must be identified, where the estimated cost (as determined by SCE) of the project will not exceed your current work credit balance.
    a. SCE must provide the estimated cost for the project, please note that this process will take between 6-8 weeks for SCE to complete at each project location identified.

Paul D. Reyes
Project Manager
Rule 20 Project Management

   b. SCE cannot guarantee completion of the project cost estimate for project submissions made later than April 1, 2025. All submissions for a cost estimate after this date will be considered at the community's risk.
2) The governing body must have adopted an ordinance creating an underground district that meets the criteria in CPUC Resolution E-4971

Please note that **both of the above conditions must be satisfied prior to June 2025**, in order for your work credit balance to be retained. However, if both conditions are not met, your work credit balance will be subject to reallocation and/or expiration.

In addition to the conditions above, SCE will be utilizing the following guidelines to determine new project feasibility:

1. The identified project scope must meet the guidelines set in the Rule 20 tariff
2. The project scope must not exceed the available work credit balance for the community.
3. As a guideline SCE utilizes the following figures as a guideline
   a. **Work credit balance less than $900,000 –** typically a work credit balance in this range will not support a project that satisfies the requirements of the rule 20A tariff.
   b. **Work credit balance between $900,001-$1,499,999 –** a work credit balance in this range may support a project, however the SCE project manager will need to closely analyze the site and project scope. Each aspect of the project's scope (street crossings, services, multiple circuits, easements, etc.) will increase project cost and will decrease project viability.
   c. **Work credit balance greater than $1,500,000 –** Typically these work credit balances are able to support a Rule 20A project. Please contact your SCE project manager to discuss project scope.
   d. Items a, b and c are guidelines, please contact your SCE project manager should you believe that you have identified a project scope that could be an exception case to the guidelines above.
4. All new projects initiated, must have a suitable project scope for the project to be completed prior to December 31, 2033. Your SCE project manager will assess construction viability while they complete the cost estimate.

Please note that proposed project scope with sufficient work credits, may be denied due to the project scope being infeasible to complete prior to December 31, 2033

For your review, SCE's Rule 20 Annual Report (public version) can be found at:
https://www.sce.com/regulatory/distribution-manuals/rule20-underground-conversions

Please feel free to contact me if you have any questions about Rule 20A or any other matters affecting SCE's service to you.

SOUTHERN CALIFORNIA EDISON
An *EDISON INTERNATIONAL* Company

Paul D. Reyes
Project Manager
Rule 20 Project Management

Regards,

Paul D. Reyes
Rule 20 Project Manager

cc: Paul D. Reyes, Manager, Rule 20 Project Management
David Ford, Government Relations Manager
Talisa Lee, Advisor, Rule 20 Project Management

W Myrrh St
City Hall Campus
Location of OH lines and limits of Myrrh St segment
OH Transmission lines
W Indigo St
S Oleander Ave
Location of OH lines and limits of Acacia Ave segment
Compton High School
W Cypress St
Acacia Ave
W Cocoa St
City of Compton 20A Undergrounding Project
Alondra Blvd
Alondra Blvd

March 11, 2025

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

FROM: **COMMUNITY DEVELOPMENT DEPARTMENT**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESCINDING RESOLUTION 25817 AND AUTHORIZING THE CITY MANAGER TO AMEND THE COMMUNITY DEVELOPMENT DEPARTMENT 2024 – 2025 FISCAL YEAR BUDGET AND TO RATIFY THE PROFESSIONAL SERVICES AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER FOR MIG, INC. FOR THE COMPLETION OF THE COMPREHENSIVE CITYWIDE GENERAL PLAN 2045 UPDATE, REZONING AND ENVIRONMENTAL IMPACT REPORT ($463,208)**

SUMMARY

Adoption of the attached resolution will rescind Resolution 25817 and authorize the city manager to amend the 2024 – 2025 fiscal year budget and to ratify the professional services agreement with and establish a purchase order in the amount of Four Hundred Sixty Three Thousand Two Hundred Eight Three Dollars ($463,208.00) for continued services rendered during the term of the agreement to complete the General Plan 2045. A professional services agreement has already been authorized and executed through Resolution 25,817 adopted April 11, 2023 which expired on June 30, 2024.

BACKGROUND

On April 11, 2023 the City Council approved resolution 25,817 authorizing the City Manager to ratify an existing professional service agreement and to establish a purchase order for the consultant MIG to complete the General Plan 2045, rezoning and Environmental Impact Report. Presently, MIG has worked to complete the draft General Plan 2045, and a draft of the General Plan 2045 for public review has been released on January 28th of 2025 with the goal of bringing the General Plan 2045/Rezoning before City Council for adoption in August of 2025.

Section 65300 of the California Government Code requires the City of Compton to adopt and update a General Plan that contains all the required elements, describes the City's long term goals for growth and development and identifies policies and programs to achieve those goals. The City's current 2010 General Plan, adopted in 1991, is obsolete and eleven (11) years out-of-date, leaving the

City without up-to-date policy guidance. The existing General Plan does not reflect the City as of the 2020's or the new laws adopted over the past 30 years.

STATEMENT OF ISSUE

Staff is requesting adoption of the attached resolution to pay invoices and complete the General Plan 2045 and HCD required rezoning by April 2025. Resolution 25817 that authorized the previous purchase order was valid until the fiscal year 2023 – 2024. Staff is asking for an extension of the purchase order in the amount of $463,208 to cover the completion of the General Plan 2045 and Department of Housing and Community Development (HCD) Housing Element generated rezoning. To be in compliance with new state laws and facilitate new housing development HCD will only certify the General Plan 2045 Housing Element when the existing Zoning Ordinance is revised concurrently with the General Plan 2045. This anticipated HCD rezoning will also be completed by the General Plan consultant MIG but at an additional cost of $137,170.00 which is included in the purchase order. The purchase order will cover the project to completion.

The Department will be responsible for fiscal oversight, program monitoring, and reporting of the preparation of the General Plan 2045, Rezoning and EIR. The proposed new General Plan and Rezoning will establish goals and policies for land use, housing, open space, circulation, noise, public safety, public facilities, historic preservation, economic development and develop the implementing zoning regulations and design guidelines. This will provide the City with a new General Plan and significantly update zoning code for the first time in decades.

FISCAL IMPACT

The Community Development Department is requesting the FY 2024-2025 budget be amended to increase the amount in "Contract Services" by 463,208.00 for the completion of the General Plan 2045 and Rezoning. Two purchase orders are being requested. One to cover work performed between July 1, 2024 and December 31, 2024 as detailed in invoices #88652, 88173, 89125, 89441 and 89943 totaling One Hundred Twenty Five Thousand Two Hundred Thirty Six Dollars ($125,236.00) and another purchase order for Three Hundred Thirty-Six Thousand Nine Hundred Seventy Two Dollars ($336,972) to cover future work to complete the General Plan document, EIR and rezoning.

Funding is requested to be appropriated from Measure P's fund balance in an amount of Four Hundred Sixty Three Thousand Two Hundred and Eight Dollars ($463,208.00) which will be expended over a period encompassing Fiscal Year 2024-2025 and 2025 - 2026.

That the Community Development Department Planning Division Fiscal Year 2024 – 2025 budget shall be amended as follows;

Increase Expenditures in the following account from fund balance of Measure P:

Account No.	Description	Amount
1004-780-000-4266	Measure P-(Contract Services)	$463,208.00

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

APPROVED FOR FORWARDING

WILLIAM A. HOPKINS
CITY MANAGER

Attachments

1. Resolution 25817
2. MIG Contract

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESCINDING RESOLUTION 25817 AND AUTHORIZING THE CITY MANAGER TO AMEND THE COMMUNITY DEVELOPMENT DEPARTMENT 2024 – 2025 FISCAL YEAR BUDGET AND TO RATIFY THE PROFESSIONAL SERVICES AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER FOR MIG, INC. FOR THE COMPLETION OF THE COMPREHENSIVE CITYWIDE GENERAL PLAN 2045 UPDATE, REZONING AND ENVIRONMENTAL IMPACT REPORT ($463,208)

WHEREAS, Government Code section 65300 requires the City of Compton to adopt and update a General Plan that contains all the required elements, describes the City's long term goals for growth and development and identifies policies and programs to achieve those goals; and

WHEREAS, the City's current 2010 General Plan, adopted in 1991, is obsolete and eleven (11) years out-of-date, leaving the City without up-to-date policy guidance; and

WHEREAS, on February 18, 2021, the Department released and posted a Request for Proposals in the Compton Bulletin, on the City's website and the National APA RFP page seeking a qualified planning firm to prepare a completely new General Plan, incorporating all of the new land uses, housing, environmental, traffic and circulation laws, policies and best practices related to all various elements of a General Plan and a Program EIR for the City and the unincorporated areas within the City's sphere of influence; and

WHEREAS, the proposal of MIG, Inc. was determined by staff to demonstrate the competence and the professional qualifications necessary for the satisfactory performance of the services required to prepare the General Plan 2045 update ($979,683.00) and Rezoning ($137,170.00) at a fair and reasonable price of $1,116,853.00; and

WHEREAS, the Department will manage fiscal oversight, program monitoring, reporting and preparation of the General Plan/Rezoning documents and EIR; and

WHEREAS, Resolution 25817 was previously adopted on April 11, 2023, however that resolution only authorized a purchase order up until fiscal year 2023 – 2024 and the project is not complete, and necessitating a new purchase order to complete the project; and

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

Section 1. That Resolution 25817 previously adopted on April 11, 2023 is hereby rescinded.

Section 2. That the existing Professional Services Agreement with MIG, Inc. authorized under Resolution 25817 for the preparation of the Comprehensive General Plan 2045 and associated Environmental Impact Report is hereby ratified.

Section 3. That two purchase orders are authorized to be issued to MIG Inc.; One to cover work performed from July 1 to December 31, 2024 as detailed in invoices #88652, 88173, 89125, 89441 and 89943 totaling $126,235.00 and another purchase order for 336,972.00 to cover future work to complete the General Plan document, EIR and rezoning.

Section 4. That the Community Development Department Planning Division Fiscal Year 2024 – 2025 budget shall be amended as follows;

Increase Expenditures in the following account from Measure P fund balance:

Account No.	Description	Amount
1004-780-000-4266	Measure P (Contract Services)	$463,208

Section 5. That a copy of this Resolution shall be filed in the office of the City Manager, City Controller, City Clerk, City Attorney and Community Development Department.

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

ADOPTED this _____ day of _____, 2025.

_____
EMMA SHARIF
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

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

I, Satra D. Zurita, 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 _____, 2025.

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

AYES: COUNCIL MEMBER-
NOES: COUNCIL MEMBER-
ABSTAIN: COUNCIL MEMBER-
ABSENT: COUNCIL MEMBER-

_____
SATRA D. ZURITA
CITY CLERK OF THE CITY OF COMPTON

RESOLUTION NO. 25,817

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESCINDING RESOLUTION NO. 25,649 AND AUTHORIZING THE CITY MANAGER TO AMEND THE 2022-2023 FISCAL YEAR BUDGET AND TO RATIFY THE PROFESSIONAL SERVICES AGREEMENT WITH, AND ESTABLISH A PURCHASE ORDER FOR, MIG, INC. FOR PREPARATION OF A COMPREHENSIVE CITYWIDE GENERAL PLAN UPDATE AND ENVIRONMENTAL IMPACT REPORT ($979,683)

WHEREAS, Government Code section 65300 requires the City of Compton to adopt and update a General Plan that contains all the required elements, describes the City's long term goals for growth and development and identifies policies and programs to achieve those goals; and

WHEREAS, the City's current 2010 General Plan, adopted in 1991, is obsolete and thirteen (13) years out-of-date, leaving the City without up-to-date policy guidance; and

WHEREAS, in 2021, the City was awarded a $400,000 from the Senate Bill 2 ("SB2") and LEAP grants from the U.S. Department of Housing and Urban Development ("HCD") to prepare the next Housing and Land Use Element updates; however, Community Development Department ("Department") has determined it to been in the best interest of the City to use the SB2 and LEAP grant funds, combined with General Fund money and prepare a comprehensive General Plan Update and Program Environmental Impact Report ("EIR") instead of just the Housing and Land Use Elements; and

WHEREAS, on February 18, 2021, the Department released and posted a Request for Proposals in the Compton Bulletin, on the City's website and the National APA RFP page seeking a qualified planning firm to prepare a completely new General Plan, incorporating all of the new land uses, housing, environmental, traffic and circulation laws, policies and best practices related to all various elements of a General Plan and a Program EIR for the City and the unincorporated areas within the City's sphere of influence; and

WHEREAS, the proposal of MIG, Inc. was determined by staff to demonstrate the competence and the professional qualifications necessary for the satisfactory performance of the services required at a fair and reasonable price of $979,683.00; and

WHEREAS, the Department will manage fiscal oversight, program monitoring, reporting and preparation of the General Plan document and EIR; and

WHEREAS, funds for this expenditure are available in the Department's budget.

WHEREAS, Resolution No. 26,649 was previously adopted on April 19, 2022, however, after the resolution was passed, a purchase order was not obtained prior to the end of Fiscal Year 2021-2022; and

WHEREAS, staff met with the vendor and provided a notice to proceed during the month of June, 2022 and work commenced without an authorized purchase order; and

WHEREAS, once invoices were received staff realized there was no mechanism in place to pay the vendor and a budget amendment and purchase order was required, therefore, the item is being presented to council to approve the utilization of funds using the 2022-2023 Fiscal Year Budget.

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

Section 1. That Resolution No. 26,649, previously adopted on April 19, 2022, is hereby rescinded.

Section 2. That the existing Professional Services Agreement entered into by the City with MIG, Inc., authorized under Resolution No. 26,649, for preparation of a comprehensive General Plan Update and associated Program Environmental Impact Report is hereby ratified.

Section 3. That a purchase order is re-authorized to be established for MIG, Inc. in the amount of $979,683.00 for the preparation of a comprehensive General Plan Update and associated Program Environmental Impact Report.

Section 4. That a combination of the General Fund monies in an amount of Five Hundred Seventy Nine Thousand Six Hundred Eighty Three Dollars ($579,683.00) and the Four Hundred Thousand Dollars ($400,000.00) in SB2 and LEAP grants will be expended over a period encompassing Fiscal Years 2021-2022, 2022-2023 and 2023-2024.

Section 5. The SB2 and LEAP grants need to be incorporated and the 2022-2023 Community Development Department Planning Division Fiscal Year budget amended as follows:

Increase Revenues in the following accounts:

Account No.	Description		Amount
1004-000-000-3109	Measure P	(1% Sales Tax)	$579,683
2789-780-001-3569	SB2 Grant	(Other State Grant)	$310,000
2789-780-002-3569	LEAP Grant	(Other State Grant)	$90,000

Increase Expenditures in the following account:

Account No.	Description		Amount
1004-780-000-4266	Measure P -	(Contract Services)	$579,683
2789-780-001-4266	SB2 Grants -	(Contract Services)	$310,000
2789-780-002-4266	LEAP Grant -	(Contract Services)	$90,000

Section 6. That a purchase order is authorized to be issued in the amount of $979,683 utilizing the account numbers as follows:

Account No.	Description		Amount
1004-780-000-4266	Measure P -	(Contract Services)	$579,683
2789-780-001-4266	SB2 Grants -	(Contract Services)	$310,000
2789-780-002-4266	LEAP Grant -	(Contract Services)	$90,000

That a copy of this Resolution shall be filed in the office of the City Manager, City Controller, City Clerk, City Attorney and Community Development Department.

Section 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this 11th day of APRIL, 2023.

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, Vernell McDaniel, 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 11th day of APRIl, 2023.

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

AYES:	**COUNCIL MEMBER(S)**	DUHART, SPICER, DARDEN, SHARIF
NOES:	**COUNCIL MEMBER(S)**	BOWERS
ABSTAIN:	**COUNCIL MEMBER(S)**	NONE
ABSENT:	**COUNCIL MEMBER(S)**	NONE

CITY CLERK OF THE CITY OF COMPTON

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
CITY OF COMPTON
AND
MIG, 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 **MIG, INC.** (hereinafter referred to as **"CONSULTANT"**), located at 537 South Raymond Ave, Pasadena, California, 91105 (each a "Party" and collectively, the "Parties").

RECITALS:

WHEREAS, the current 2010 City of Compton General Plan, adopted in 1991, is obsolete and eleven (11) years out-of-date leaving the City without up-to-date policy guidance; and

WHEREAS, the preparation of a new comprehensive General Plan is critical to the logical long term growth and development of the City; and

WHEREAS, the City needs to employ the services of an educated, trained, experienced and resourceful consultant to prepare an updated General Plan, organized in a user friendly format and incorporating current applicable legislation, and a Program Environmental Impact Report ("Project"); and

WHEREAS, Consultant (MIG, Inc.) warrants that it is specifically trained, experienced, competent, and has the resources to provide such services which will be required by this Project and Agreement; and

WHEREAS, Consultant is willing to render such professional services subject to the terms and conditions set forth in this Agreement; and

WHEREAS, by Resolution No. 25,649, adopted on April 19, 2022, the City Council authorized the City Manager to accept the proposal of the Consultant and enter into an agreement to provide the necessary services.

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

1. **Services to Be Rendered by Consultant.** It is the mutual understanding of the Parties that the Consultant shall perform and be responsible for preparation of a completely new 2040 General Plan, incorporating all of the new land use, housing, environmental, traffic and circulation laws, policies and best practices related to all various elements of a General Plan, plus an associated Program Environmental Impact Report. More specifically, Consultant shall provide and perform the following services:

Task 1: Project Initiation, Management and Coordination ($85,645)

1.1 Project Initiation. **Deliverable:** MIG will deliver to City staff a finalized scope of work, schedule and budget. **Timing:** Within 30 days of the Notice to Proceed date.

1.2: Project Management. **Deliverable:** MIG will prepare and deliver to City staff an up to date version of the scope of work, schedule, or budget within one week of any agreed upon revision. MIG will also prepare monthly invoices and status reports. **Timing:** Duration of the Project.

1.3: Coordination Meetings. **Deliverable:** MIG will prepare agendas two days prior to each meeting and deliver to City staff a meeting summary of the items discussed and follow up items in a PDF and Word format within one week of any conference call, zoom or physical meeting. **Timing:** Duration of the Project.

1.4: Document Review and Field Reconnaissance. **Deliverable:** MIG will deliver to City staff a brief summary of the results of the reconnaissance and field surveys in a PDF and Word format. **Timing:** Within 90 days of the Notice to Proceed.

Task 2: Setting the Foundation: Technical Report and Analysis ($110,720)

2.1: Compton Today; Constraints and Opportunities. **Deliverable:** MIG will deliver to the City a 2021 Constraints and Opportunities Report in a PDF and Word format in English and Spanish. **Timing:** Within 120 days of the Notice to Proceed.

2.2: Pedestrian Realm Analysis. **Deliverable:** MIG will prepare a report in a PDF and Word format that documents the Pedestrian Analysis along with recommendations for land use and circulation alternatives as well as propose new and goals and policies, addressing any problem areas. **Timing:** Within 120 days of the Notice to Proceed.

2.3: Market Demand Study. **Deliverable:** MIG will deliver to City staff a Market Study in a PDF and Word format. **Timing:** Within 120 days of the Notice to Proceed.

Task 3: Listening to Compton: Community Engagement Program ($168,885)

3.1: Public Outreach and Engagement Plan. **Deliverable:** MIG will prepare an Outreach and Social Marketing Plan in a PDF and Word format as described above. **Timing:** Within 90 days of the Notice to Proceed.

3.2: Stakeholder Meetings. **Deliverable:** MIG will prepare and submit to City staff a stakeholder meeting summary in a PDF and Word format for each interview. Each interview shall contain information regarding stakeholder concerns, the stakeholders' vision for Compton and willingness to participate further as a community representative. **Timing:** Within 90 days of the Notice to Proceed and summary within two weeks of the interview.

3.3: Compton Innovates Multi-Media Campaign.

3.3.1: Logo and Branding. **Deliverable:** MIG will submit to City staff three (3) alternative branding concepts with logo, colors, and type face to City staff for a two week review. City staff will after a two-week review transmit to MIG a preferred branding concept. MIG will then submit the logo/branding to the City in high resolution GIF, PDF and Word formats. **Timing:** Within 45 days of the Notice to Proceed.

3.3.2: Project Website. **Deliverable:** Online fully function web page with branding, links for surveys, FAQ page, documents section, Project email address and sign up page for community participation or to receive future information. MIG will translate all written and digital engagement materials into Spanish. **Timing:** Within 30 days of the Notice to Proceed.

3.3.3: Multi-Media. **Deliverable:** Written Multi-Media Plan in PDF and Word formats. **Timing:** Within 90 days of the Notice to Proceed.

3.3.4: Community Surveys. **Deliverable:** A PowerPoint presentation of the results of each survey and written summary report of the survey results in English and Spanish. **Timing:** Within two weeks of the completion of each survey.

3.4: Backyard Community Listening Sessions. **Deliverable:** A written summary of each listening session along with a sign-up sheet.

3.5: In-Community Events. **Deliverable:** Kiosk/booth along with associated sign-up sheet, handout and survey materials. A brief written summary of the discussion or survey results returned as a result of the Kiosk placement. **Timing:** Day(s) of the event.

3.6: Compton Innovates: Digital Scavenger Hunt. **Deliverable:** List of locations where outreach events will occur as identified in the final Public Outreach and Engagement Plan. **Timing:** Ongoing for the duration of the Project.

3.7: Community Advisory Committee. **Deliverable:** Meeting summary and sign-up sheet. **Timing:** At the conclusion of each meeting.

3.8: Community Meeting Series. **Deliverable:** A sign-up sheet and written summary of each meeting. **Timing:** Within one week of the conclusion of each meeting.

3.9: General Plan Vision Statement and Guiding Principles. **Deliverable:** A word format document of the Vision statement and guiding Principles. **Timing:** Within 180 days of the Notice to Proceed.

Task 4: Exploring Options for Compton's Future ($68,030)

4.1: Land Use and Transportation Alternatives and Charrette. **Deliverable:** Three land use and transportation scenarios with written descriptions. **Timing**: One month prior to the first meeting discussing the scenarios.

4.2: Pro Forma Financial Analysis. **Deliverable**: Draft and Proforma Financial Analysis in Word and PDF format. **Timing**: One month (to coincide with Task 4.1).

4.3: Citywide Fiscal Impact Model. **Deliverable**: Draft and Final Fiscal Impact Report in Word and PDF format. **Timing:** Three (3) months following selection of preferred land use plan.

Task 5: Preparing a Plan for Compton 2040 ($249,575)

5.1: Screencheck Draft General Plan. **Deliverable**: A digital Word and PDF version of the Administrative Draft Screencheck 2040 General Plan with goals, policies and objective implementing measures.

5.2: Administrative Draft and Public Review Draft General Plan. **Deliverable**: Three (3) bound hard copies and a digital Word and PDF version of the Administrative Draft 2040.

5.3: Implementation and Action Plan.

5.4: Land Use Plan and Zoning Code Consistency Analysis. **Deliverable**: A Land Use Plan and Zoning Map consistency analysis in digital GIS, Word and PDF formats.

Task 6: Understanding Impacts: Environmental Documentation ($249,841)

6.1: EIR Initiation.

6.2: Initial Study, Notice of Preparation, and Scoping Meeting. **Deliverable**: MIG will provide City staff with three (3) hardcopies in addition to a digital Word and PDF version of the draft and final IS and copies of all filed CEQA notices.

6.3: Administrative Draft Program EIR. **Deliverable:** A digital preliminary and final administrative draft of the PEIR including all technical studies, findings, mitigation measures, mitigation monitoring and reporting program (MMRP). City staff will conduct two screencheck reviews prior to the public release of final draft 2040 General Plan for 45 day public review.

6.4: Draft EIR for Public Review. **Deliverable:** Fifteen (15) bound hard and one (1) digital copies of the PEIR to the City for internal review and copies of all State and/or County CEQA notices and agency mailing lists.

6.5 : Response to Comments/FEIR and MMRP. **Deliverable:** One (1) hard and digital copy of the Response to Comments and Final EIR (RTC/FEIR) that includes the Mitigation Monitoring and Reporting Program (MMRP) bound separately from the FEIR. **Timing**: Within 30 days of the expiration of the 45 day public review period.

6.6: Findings of Fact and Statement of Overriding Considerations. Deliverable: A digital Word and PDF version of the written Findings of Fact and Statement of Overriding Considerations. Timing: Prior to the 45 day public review period and incorporated into the circulated PEIR.

6.7: Notice of Determination (NOD). **Deliverable:** One (1) hard and one (1) digital copy of the filed Notice of Determination. **Timing:** Within five (5) days of the final City Council approval of the General Plan and Program Environmental Impact Report.

Task 7: Adopting the Plan: Public Hearings and Final Documentation ($30,460)

7.1: SB 18 and AB 52 Consultation. **Deliverable:** A digital copy of the certified letters sent requesting tribal consultation of the 2040 General Plan and Program Environmental Impact Report and mailing list. MIG, if received, will forward the letters of all tribal responses received as a result of the consultation letters sent out.

7.2: Joint PC/CC Study Sessions. (Facilitate and Conduct) **Deliverable:** PowerPoint presentation of draft general plan and PEIR and facilitation of the meeting.

7.3: PC/CC Public Hearings. (Facilitate can Conduct) **Deliverable:** PowerPoint presentation of draft General Plan and PEIR and facilitation of both the Planning Commission and City Council meetings.

7.4 Provide the City with twenty (20) bound hardcopies of the completed and adopted General Plan and five (5) bound hardcopies of the Program Environmental Impact Report.

As more fully discussed and described within the City's **"Request for Proposal – Preparation of the 2040 General Plan and Environmental Impact Report"** and the Consultant's **"Proposal to Prepare General Plan 2040 and Environmental Impact Report"** dated April 15, 2021, both of which are incorporated herein. In case of conflict(s), the provisions of this Agreement take precedence. Conflicts in the interpretation of this Agreement will be addressed through mutual written agreement between the Parties and/or mediation/arbitration services to resolve any disagreement or clarification that through good faith efforts of the Parties cannot be reached.

The terms of the above services may be revised upon mutual written agreement between the Parties and executed by authorized representatives to allow for: 1) reallocation of funds among identified tasks, 2) modification of timing of tasks, 3) modification of deliverables, and 4) substitution of a new or modified task for an existing task, provided that the overall cost of the agreed services does not exceed the amount of $979,683.00, as specified in Section 3 below.

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 shall be discharged immediately from providing services pertaining to this Agreement.

Laura Stetson, Principal-in-Charge 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. The parties anticipate that Consultant's services may be completed twenty-eight (28) months from issuance of the Notice to Proceed.

Consultant will generally adhere to the schedule set forth within Consultant's Proposal provided that City will grant reasonable extensions of time for the performance of the services occasioned by unusually lengthy governmental reviews of Consultant's work product or other unavoidable delays occasioned by unforeseen circumstances; provided, further, that such unavoidable delay will not include strikes, lockouts, work stoppages, or other labor disturbances conducted by, or on behalf of, Consultant's officers or employees.

Consultant acknowledges the importance to City of 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, billable at the rates identified within Consultant's **"Fee Proposal,"** included with Consultant's **"Proposal,"** dated April 15, 2021, which is incorporated herein. It is understood and agreed between the Parties that the maximum compensation payable for all services to be provided by the Consultant during the term of this Agreement shall be limited to a not-to-exceed amount of **Nine Hundred Seventy Nine Thousand Six Hundred Eighty Three Dollars ($979,683.00).** The total price paid the Consultant will include compensation for all work, including materials, supplies, vendor services, expenses and subcontracted work (unless expressly agreed to be paid by the City). 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 Parties.

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 Community Development Department 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 non-cancellable 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 upon Consultant's receipt of payment for same. 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. Consultant retains the right to provide services for others during the term of this Agreement.

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 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 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 provisions

of the policies shall not affect coverage provided to the City. ***Prior to City's execution of this Agreement, Consultant shall furnish certificates of insurance and endorsements to City.***

Waiver of Subrogation. The policies shall contain a waiver of subrogation for the benefit of City.

12. Permits and Licenses. Consultant, at its own expense, during the term of this Agreement, shall obtain and maintain all appropriate business and professional permits, licenses and certificates that may be required in connection with the performance of services by the Consultant. Upon execution of this Agreement, the Consultant shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

13. Maintenance of Records. Consultant will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Consultant will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Consultant will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years, or longer if required by law, from the date of final payment under this Agreement.

14. Warranties. Consultant represents and warrants (a) that Consultant has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with Consultant's undertaking this relationship with City, (b) 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, (c) 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 (d) that Consultant has not knowingly entered into or will enter into any agreement (whether oral or written) in conflict with this Agreement.

15. General Compliance with Laws. Consultant will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of the services by Consultant. Consultant will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of the services with all applicable laws, ordinances and regulations. In the event the Consultant encounters any conflict between such laws and ordinances, Consultant shall notify the City in writing and the parties agree to work cooperatively to resolve the conflict.

16. Termination. In the event of the Consultant's failure to prosecute, deliver, or perform the services, after giving written notice of default and five (5) 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 the 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 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.

On termination of this Agreement Consultant will be paid for work performed to the termination date; however, the total will not exceed the total agreed fee payable under this Agreement unless duly authorized adjustments to the agreed compensation has been approved in writing by the Parties. City will make the final determination as to the portions of tasks completed and the compensation to be made.

17. Force Majeure. In the event that performance by either party is rendered impossible (permanently or temporarily) due to acts of war, acts of terrorism, fires, floods, epidemics, quarantine restrictions, or other natural occurrences, strikes, work slowdowns, lockouts (other than lockout by Consultant), or other similar acts to those described above or other causes beyond the reasonable control of such party, and without fault or negligence, said event shall excuse performance by such party, or in the case of temporary impossibility, shall excuse performance only for a period commensurate with the period of impossibility. Notwithstanding the foregoing, City shall have the right to terminate this Agreement upon any event that renders performance impossible. In such case, City shall be responsible for payment of compensation for the reasonable value of services rendered to the point at which this Agreement is terminated, but in no event to exceed the total lump sum fee payable under this Agreement.

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. 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:

a. is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local agency; and

b. has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local agency within the past 3 years; and

c. does not have a proposed debarment pending; and

d. has not been indicted, convicted, or had a civil judgment rendered against him/her/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

e. 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

f. 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 Agreement. Signing this Agreement on the signature portion thereof shall also constitute signature of the above Certifications.

Daniel S. Iacofano, President — (Date) 4·27·22

20. 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.

21. 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.

22. 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.

23. 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.

24. 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.

25. 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.

26. Confidentiality. All documents, s, 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.

27. 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.

28. 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:

MIG, Inc.
537 South Raymond Avenue
Pasadena, California, 91105
Attn: Laura Stetson, Principal
(626) 744-9872
(626) 744-9873 – fax.

To City:

City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Robert Delgadillo, Senior Planner
Community Development Department
(310) 605-5532
(310) 761-1488 - fax.

With copy to:

City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

29. 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.

MIG, INC., CONSULTANT

Dated: 4.27.22

By _____
Daniel S. Iacofano, President

CITY OF COMPTON

Approved by:

CITY OF COMPTON

Approved by:

Dated: 5.31-22

By _____
Thomas Thomas, City Manager

Approved as to form:

By _____
for Eric Perrodin, City Attorney

Dated: 5/24/22

ATTEST:

Dated: 6-1-2022

By _____
Alita Godwin, City Clerk

CITY OF COMPTON INCORPORATED MAY A. D. 1888 CALIFORNIA

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
CITY OF COMPTON
AND
MIG, 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 **MIG, INC.** (hereinafter referred to as **"CONSULTANT"**), located at 537 South Raymond Ave, Pasadena, California, 91105 (each a "Party" and collectively, the "Parties").

RECITALS:

WHEREAS, the current 2010 City of Compton General Plan, adopted in 1991, is obsolete and eleven (11) years out-of-date leaving the City without up-to-date policy guidance; and

WHEREAS, the preparation of a new comprehensive General Plan is critical to the logical long term growth and development of the City; and

WHEREAS, the City of Compton has retained the services of MIG to prepare the General Plan 2045 update: and

WHEREAS, preparing the General Plan 2045 update and specifically the Housing Element component required review by the Department of Housing and Community Development (HCD); and

WHEREAS, the Department of Housing and Community Development requires the City of Compton to make certain revisions to the Zoning Code and have those changes approved concurrent with the General Plan 2045 before HCD will certify the Housing Element; and;

WHEREAS, the City needs to employ the services of an educated, trained, experienced and resourceful consultant to prepare the HCD mandated zoning ordinance update ("Project"); and

WHEREAS, the consultant (MIG, Inc.) is already familiar with the city and community and is preparing the General Plan 2045 update, it is logical and most efficient that MIG, a trained, experienced, competent, firm also provide the HCD mandated zoning code revision services: and

WHEREAS, the consultant MIG is willing to render such professional services subject to the terms and conditions set forth in this Agreement; and

WHEREAS, by Resolution No. 25,649, adopted on April 19, 2022, the City Council authorized the City Manager to accept the proposal of the Consultant and enter into an agreement to provide the necessary services; and

WHEREAS, under sections 1 and 25 of the existing agreement (contract) signed under the authority of City Council Resolution 25,649 adopted on April 19, 2022, states that the existing signed General Plan 2045 Agreement may be modified or amended by written document.

NOW, THEREFORE, MIG **(**Consultant) and City**,** for the consideration, terms and conditions herein described, mutually agree as follows:

1. **Services to Be Rendered by Consultant.** It is the mutual understanding of the Parties that the Consultant shall perform and be responsible for preparation of certain zoning code revisions to address the Housing Element zoning revisions mandated by HCD and to implement the new "Land Use Designations" contained within the proposed General Plan 2045 plus documentation pursuant to the California Environmental Quality Act, in conjunction with the General Plan 2045 update associated Program Environmental Impact Report (Program EIR). More specifically, Consultant shall provide and perform the following services:

TASK 1.1: PROJECT INITIATION

At the project's outset, the core MIG team members will meet with City staff to kick off the Targeted Zoning Amendments project, gather data and information, discuss the public engagement activities, and outline overall expectations and desired outcomes. This task includes refining the work program and aligning the proposed zoning tasks with the General Plan Update and Program EIR project to avoid duplication of work.

Based on discussion with City staff and review of the Draft Housing Element Implementation Program, we envision that the Targeted Zoning Amendments will include the following:

1. Create new zones, use regulations, and development standards to implement new land use designations:
    - Prepare new zones to be consistent with Draft General Plan Land Use Element, including new mixed-use zones for Neighborhood, Community, and Transit Priority mixed use land use designations. Revise the Light Industrial Zone into a new Flex Industrial Zone and allow cleaner industrial use and commercial serving uses.
    - Update residential zones' (R-A, RL, R-M, and R-H) permitted, conditional, and prohibited use lists in a matrix format. This excludes amending or providing development standards unless identified below.
    - Update the Zoning Map to correspond to the Draft General Plan Land Use Element and Map and address City staff comments.
    - Revise zoning use definitions to correspond to the use tables and to ensure the definitions do not distinguish the personal characteristics of persons with disabilities. Update definitions related to Zones being updated.
    - Establish community benefit regulations.
2. Implement Housing Element programs:
    - **Farmworker Housing:** Amend the RA zone to define farmworker housing up to 36 beds or 12 units as an agricultural use to be similarly permitted as other agricultural uses in the same zone, pursuant to Health and Safety Code Section 17021.6 on farmworker housing requirements. Note: commercial agriculture or farms do not occur anywhere in Compton; all of RA designated land, except one lot, is developed with a home.
    - **Employee Housing:** Permit employee housing for six or fewer employees as residential use subject to the same development standards and design as single-family residences, pursuant to Health and Safety Code Section 17021.5 on employee housing requirements.
    - **Accessory Dwelling Units (ADU):** Update the ADU ordinance to comply with current State laws (AB 221 and SB 897), if necessary, and submit the adopted ordinance to HCD for review.
    - **Findings for Conditional Use Permit (CUP):** Modify the required CUP findings to ensure objectivity and certainty in outcomes. Specifically, the finding requiring the use not be detrimental to the surrounding area (Finding 2) and the finding requiring compatibility with existing patterns of land use and development in the surrounding area (Finding 3) can be considered subjective. The Zoning Code amendment will modify or remove these findings to ensure objectivity in evaluation.
    - **Emergency Shelters:** In compliance with AB 2339, amend the CL zone as the zone to permit emergency shelters by right without discretionary review, revise the parking standards to be based on staffing level (AB139), and expand the definition of emergency shelters to include interim interventions such as navigation centers, bridge housing, and respite and recuperative care. The CL zone conditionally permits a variety of residential uses; CL zone designated land is located along transportation corridors, which offers access to services and public transportation.

- **Low Barrier Navigation Centers (LBNC):** Amend the Zoning Code to permit LBNC as a use by right in areas zoned for mixed use and in nonresidential zones permitting multi-family uses, subject to development standards.
- **Transitional and Supportive Housing:** Amend the regulations to ensure transitional and supportive housing is similarly permitted as other residential dwellings in the same zone where residential uses are permitted, including mixed use zones. Amend regulations pursuant to AB 2162, which requires supportive housing projects meeting specific criteria to be allowed by-right in multifamily and mixed-use zones, including non-residential zones permitting multifamily uses.
- **Residential Parking Requirements:** Adopt new regulations to update and reduce current requirement of enclosed parking spaces, consistent with the City's TOD standards; remove the enclosed garage parking requirement to allow flexibility for development projects to meet the parking requirements (such us via surface parking). Additionally, if the project is located within ½ mile of transit, no minimum parking can be required.
- **Residential Minimum Unit Size:** Adopt new regulations to reduce current minimum unit requirement to facilitate the development of small units (live/work, SRO), particularly housing for special needs populations.
- **Residential Objective Design and Development Standards:** Adopt new comprehensive objective residential standards. As part of this review and comprehensive update to the Zoning Code to implement the new General Plan, the City will prepare design and development standards (height, parking, setbacks, architectural design, open space, etc.) enabling the maximum density of each zone can be achieved with good design.
- **Administrative Multiple-family Review**: Review and reduce the conditional use permit (CUP) requirement for Multiple-family residential use citywide.
- **Density Bonus:** Delete the existing Density Bonus Ordinance and add provisions in compliance with State law.
- **Manufactured Homes**: Amend the Zoning Code to allow manufactured homes to be built on a permanent foundation in the same manner and same zones as conventional or stick-built homes.
- **SB 35:** Establish written procedures for implementing SB 35.
- **Residential Care Facilities:** Revise the Zoning Ordinance for multifamily or mixed-use zones to allow care facilities of seven or more residents in all districts that permit residential uses, approved with objectivity and certainty, and subject only to the requirements of residential uses of similar type and form.
- **By-Right Developments:** Permit owner-occupied and rental multi-family uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means approval without discretionary review.
- **Minimum Density.** Establish a minimum density for all rezone sites to accommodate lower income RHNA.
- **Allow 100% Residential:** Ensure either: a) at least 50 percent of the shortfall of low- and very-low-income regional housing can be accommodated on sites designated for exclusively residential uses; or b) if accommodating more than 50 percent of the low- and very-low-income regional housing need on sites designated for mixed uses, all sites designated for mixed uses must allow 100 percent residential use and require that residential uses occupy at least 50 percent of the floor area in a mixed-use project.
- **Lot Consolidation:** Develop additional incentives to encourage lot consolidation.
- **Expedited Permit Procedures:** Revise the Architectural Review Board process for residential development of any size, including for 12 units or less to shorten the timeline for processing. The City will also develop objective design standards for multi-family housing to facilitate streamlined review. Create a section to formally establish the "Administrative Hearing Officer" or "Zoning Administrator" to review and consider approval of development permits to be determined.

- **Reasonable Accommodation.** Adopt a Reasonable Accommodations Ordinance to provider greater flexibility to persons with disabilities and to comply with applicable fair housing laws. Currently, the City's Zoning Ordinance contains no such provisions.
- **Legal Nonconforming.** These zoning revisions do not include nonconforming provisions under Section 30-23 Nonconforming Buildings and Uses.
- **Application Fees.** These zoning revisions do not include revising or updating application, permit, or impact fees.

Task 1.2: Project Management, Project Team Meetings, and Phone Calls
The purpose of this subtask is to augment the General Plan project management task to ensure project management meets the City's expectations and keeps the program moving forward, including contract administration, invoicing, scheduling, and the timely delivery of products. MIG will prepare monthly invoices and have a biweekly phone call with the City's project manager to monitor and review project progress and results, including discussing options for policy implementation and preferred direction and to review draft work products. This subtask is meant to align with the General Plan update schedule and is anticipated to be completed in less than a year. We will schedule two in-person meetings and up to 10 telecommunication/virtual meetings.

Deliverables

- Kickoff Meeting Agenda (pdf)
- Refined Work Program and Schedule (Word and PDF)
- Project Management Call Agenda and Summaries (PDF)
- Monthly Invoices (pdf)

TASK 2: COMMUNITY ENGAGEMENT
While many Compton residents and property owners were involved in the recent General Plan update, our experience with zoning code updates is that the public will be much less interested in this follow-on program. Primary interest will come from major property owners and the development community. Thus, we propose workshops with a targeted audience and study sessions with the Planning Commission and City Council, to which the public will be invited.

Task 2.1: Developer and Property Owner Workshop
MIG proposes to conduct a virtual community workshop to solicit input from developers and property owners on the new Targeted Zoning Amendments. While the workshop will be open to the public, we will work with City staff to create a targeted list of invitees. City staff will be responsible for outreach to the people and groups on this list. MIG will create a flyer advertising the workshop for City staff to post on their website and distribute as needed. MIG will prepare presentation materials and have up to two staff members attend the 60-minute workshop. After the workshop, MIG will prepare a brief summary; one round of review is anticipated for products (flyer, presentation materials, summary).

Task 2.2: Planning Commission and City Council Joint Study Sessions
We recommend conducting up to four 90-minute study sessions with the Planning Commission and City Council, structured as follows:

1. One 90-minute study session will be conducted with the Planning Commission and/or City Council (jointly) to introduce the project and discuss comments received during the Developer and Property Owner Workshop. The study session will also solicit input from City Council members and City Commissioners.

2. Up to three 90-minute study sessions will be conducted with the Planning Commission and/or City Council (jointly) to review the Draft Zoning Code Amendments and Zoning Map, providing an opportunity for comments before formal public hearings commence concurrent with the General Plan Update.

MIG will coordinate each event, create presentation materials, produce an advertisement flyer for the City's dissemination, and ensure one MIG staff member is present at each study session.

Task 2.3: Website Update and Outreach Materials
MIG will update the Compton 2045 General Plan website to include materials related to zoning revisions. A dedicated page for zoning updates will be added, and zoning information will be integrated throughout the site. Prepare three, 48" x 60" mounted map boards of impacted rezoned properties; these boards will be displayed at City Hall, council chambers and Dollarhide. Additionally, this task includes preparing outreach materials (e.g., social media post materials and/or flyers) to promote the workshop and study sessions, with up to six outreach pieces being created.

Deliverables

- Two Study Session announcements (PDF)
- A maximum of four Study Session PowerPoint presentations (PowerPoint and PDF)
- Zoning Amendment Property Maps: 3 large (48" x 60") hard copy maps
- Website Update
- Up to six outreach material pieces

TASK 3: DRAFT ZONING CODE AMENDMENTS AND ZONING MAP

Task 3.1: Assessment Memorandum and Outline
MIG will conduct a zoning code and zoning map assessment, which focuses on:

- integrating the new zones and revisions into the Zoning Code,
- defining the parameters for development standards for each zone,
- outlining community benefits program components, and
- outlining Housing Element-related amendments.

This assessment will be summarized and provided to the City in a written memorandum.

MIG will conduct a one-hour meeting (virtual or in person) with City staff to discuss the memorandum. Based on City staff direction, MIG will prepare an outline of the new zoning provisions to be created, including where the new provisions will be included in the Zoning Code. The outline and memorandum will in part be the foundation of materials to be presented at the public workshop.

Task 3.2: Administrative Draft Code Amendments
This subtask includes the steps necessary to produce the Targeted Zoning Code Amendments administrative review draft for City staff review. The Administrative Review Draft amendments, prepared as or edited as individual sections/chapters, will be provided to staff to allow for timely, focused feedback. City staff will use the Word document to identify revisions and comments using the Track Changes function and provide all comments/revisions in a single comment document. MIG budgeted two rounds of review: first and second administrative drafts.

3.2.1: Zoning Code Style Sheet and Format.
MIG will prepare a style and word usage guide outlining the standard conventions and nomenclature to be used in the Zoning Code amendments, A format guide will also be prepared; thus, the style/word usage guide and the format guide will ensure consistency with Chapter 30 (Zoning) of the Compton Municipal Code. Upon City staff review, MIG will revise the style and format guides; one round of revisions is assumed.

Task 3.2.2: Administrative Draft Zoning Code.
The MIG team will prepare administrative draft sections of the Zoning Code for City staff review, beginning with the creation of new zones. We plan to create a single chapter for the mixed-use zones, using a table format for the use regulations and development standards. Definitions will be revised to ensure compliance with fair housing laws and to reflect any new uses added to the mixed-use zones.

The Targeted Zoning Amendments required to address Housing Element programs are straightforward. However, creating new Objective Design Standards (ODS) will involve extensive work to tailor the

standards for Compton, including the preparation of graphics. MIG will use the preliminary draft ODS prepared by the City of Compton as a baseline to begin the ODS work. The ODS will necessitate not only establishing design standards but also creating appropriate administrative processes to comply with State law. Regarding the Density Bonus ordinance, MIG assumes the City will primarily defer to State law, as State law changes over time. We will complete the first administrative draft of each chapter for City staff review and then meet with staff to discuss revisions before producing the second administrative draft.

Task 3.3: Public Review Draft Code Amendments
Following the Developer and Property Owner workshop and first Planning Commission/City Council study session, MIG will meet with City staff to determine which additional revisions should be incorporated into the draft code amendments for broader public review. MIG will revise the Administrative Review document produce the Public Review Draft Zoning Code Amendments. As described above in Task 2.2, MIG will conduct up to four study sessions with the Planning Commission/City Council before public hearings to help identify any additional changes that may be desired and addressed in the public hearing staff report.

Task 3.4: Draft Zoning Map
To create a new parcel-specific zoning map, MIG will review the matrix showing a correlation between current zones and new land use designations prepared under the General Plan project. Using this matrix, MIG will create a new GIS map and four large formatted hard copies maps identifying properties that require rezoning to implement the proposed General Plan Land Use policy map and the Housing Element. Many inconsistent parcels may be assigned to one of the new zones; however, other parcel's assignment may need City staff input to identify the proper zone. We will ask City staff to review and mark up the map to indicate the appropriate new zoning. MIG will meet with City staff to review edits prior to producing an administrative draft zoning map for further City review. With staff's additional revisions, MIG will create a draft zoning map for public hearings.

It is likely that many properties will need to be rezoned to achieve General Plan consistency or fix long-standing General Plan/zoning inconsistencies. Under State law, 1000 or more properties are affected, individual notice to individual property owners is not required. Instead, the City may elect to place a one-eighth page notice in the newspaper. In addition to the newspaper notice, this task involves preparing three sets of mailing labels for properties undergoing a zoning change. These labels will be delivered to City staff in PDF and/or Word format, and the City staff will handle printing and mailing them.

Deliverables

- Assessment Memorandum and Outline (Word - electronic)
- Draft Format and Style Sheet (Word - electronic)
- Administrative Draft Code Sections - 2 rounds of review (Word - electronic)
- Public Review Draft Zoning Code Sections (Word and PDF - electronic)
- Zoning Map – 2 rounds of review (pdf) and 4 large (48" x 60") hard copy maps
- Three (3) sets of mailing labels in PDF and Word format; excludes printing labels and mailing public notices

TASK 4: FINAL ZONING CODE AMENDMENTS AND ZONING MAP

The Targeted Zoning Amendments public hearing process occur in conjunction with the General Plan Update's public hearing process. No additional scope of work is required for the Targeted Zoning Amendments public hearing process.

Task 4.1: Final Zoning Code Amendments and Zoning Map
After the General Plan Update and the Targeted Zoning Amendments' public hearings, MIG will incorporate changes to the zoning revisions based on comments City Council direction, as allowed by the budget. MIG will provide the final documentation, including the updated code sections and the final Zoning Map.

Deliverables

- Final Code Sections (Word - electronic)
- Final Zoning Map (PDF) and one 48" x 60" large format hardcopy Final Zoning Map
- GIS Files (ArcGIS Pro Shapefiles or Geodatabases, and Project files)

Lisa Brownfield, **Principal-in-Charge** 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. The parties anticipate that Consultant's services may be completed one year (12) months from issuance of the Notice to Proceed.

Consultant will generally adhere to the schedule set forth within Consultant's Proposal provided that City will grant reasonable extensions of time for the performance of the services occasioned by unusually lengthy governmental reviews of Consultant's work product or other unavoidable delays occasioned by unforeseen circumstances; provided, further, that such unavoidable delay will not include strikes, lockouts, work stoppages, or other labor disturbances conducted by, or on behalf of, Consultant's officers or employees.

Consultant acknowledges the importance to City of 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, billable at the rates identified within Consultant's **"Fee Proposal,"** included with Consultant's **"Proposal,"** dated August 7, 2024, which is incorporated herein. It is understood and agreed between the Parties that the maximum compensation payable for all services to be provided by the Consultant during the term of this Agreement shall be limited to a not-to-exceed amount of **One Hundred Thirty Seven Thousand One Hundred Seventy Dollars ($137,170.00).** The total price paid the Consultant will include compensation for all work, including materials, supplies, vendor services, expenses and subcontracted work (unless expressly agreed to be paid by the City). 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 Parties.

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 Community Development Department 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 non-cancellable 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 upon Consultant's receipt of payment for same. 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. Consultant retains the right to provide services for others during the term of this Agreement.

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 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 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 provisions of the policies shall not affect coverage provided to the City. ***Prior to City's execution of this Agreement, Consultant shall furnish certificates of insurance and endorsements to City.***

Waiver of Subrogation. The policies shall contain a waiver of subrogation for the benefit of City.

12. Permits and Licenses. Consultant, at its own expense, during the term of this Agreement, shall obtain and maintain all appropriate business and professional permits, licenses and certificates that may be required in connection with the performance of services by the Consultant. Upon execution of this Agreement, the Consultant shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code.*

13. Maintenance of Records. Consultant will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Consultant will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Consultant will allow inspection of

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 (d) that Consultant has not knowingly entered into or will enter into any agreement (whether oral or written) in conflict with this Agreement.

15. General Compliance with Laws. Consultant will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of the services by Consultant. Consultant will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of the services with all applicable laws, ordinances and regulations. In the event the Consultant encounters any conflict between such laws and ordinances, Consultant shall notify the City in writing and the parties agree to work cooperatively to resolve the conflict.

16. Termination. In the event of the Consultant's failure to prosecute, deliver, or perform the services, after giving written notice of default and five (5) 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 the 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 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.

On termination of this Agreement Consultant will be paid for work performed to the termination date; however, the total will not exceed the total agreed fee payable under this Agreement unless duly authorized adjustments to the agreed compensation has been approved in writing by the Parties. City will make the final determination as to the portions of tasks completed and the compensation to be made.

17. Force Majeure. In the event that performance by either party is rendered impossible (permanently or temporarily) due to acts of war, acts of terrorism, fires, floods, epidemics, quarantine restrictions, or other natural occurrences, strikes, work slowdowns, lockouts (other than lockout by Consultant), or other similar acts to those described above or other causes beyond the reasonable control of such party, and without fault or negligence, said event shall excuse performance by such party, or in the case of temporary impossibility, shall excuse performance only for a period commensurate with the period of impossibility. Notwithstanding the foregoing, City shall have the right to terminate this Agreement upon any event that renders performance impossible. In such case, City shall be responsible for payment of compensation for the reasonable value of services rendered to the point at which this Agreement is terminated, but in no event to exceed the total lump sum fee payable under this Agreement.

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. 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:

a. is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local agency; and

b. has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local agency within the past 3 years; and

c. does not have a proposed debarment pending; and

d. has not been indicted, convicted, or had a civil judgment rendered against him/her/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 Agreement. Signing this Agreement on the signature portion thereof shall also constitute signature of the above Certifications.

10.25.2024

Christoper Beynon, Vice President **(Date)**

20. 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.

21. 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.

22. 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.

23. 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.

24. 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.

25. 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.

26. Confidentiality. All documents, s, 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.

27. 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.

28. 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:

MIG, Inc.
537 South Raymond Avenue
Pasadena, California, 91105
Attn: Lisa Brownfield, Principal
(626) 744-9872
(626) 744-9873 – fax.

To City:

City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Robert Delgadillo, Senior Planner
Community Development Department
(310) 605-5532
(310) 761-1488 - fax.

With copy to:

City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

29. 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.

MIG, INC., CONSULTANT

Dated: 10.25.2024

By _____
Christopher Beynon, Vice President

CITY OF COMPTON

Approved by:

Dated: 4 NOV 24

By _____
Willie A. Hopkins, City Manager

Approved as to form:

Dated: 11-4-24

By _____
Eric Perrodin, City Attorney

ATTEST:

Dated: 12-3-24

By _____
for **Vernell McDaniel, City Clerk**