NOTICE

COMPTON CITY COUNCIL
AGENDA
Tuesday, December 20, 2011
5:45 PM

HEARING(S)

OPENING

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. **PRESENTATION** - Todd Olson/Bill Holford - The Olson Company

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

CONSENT AGENDA

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

APPROVAL OF MINUTES

2. December 6, 2011

REPORTS OF OFFICERS AND COMMISSIONS

CITY FIRE DEPARTMENT

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH AND ISSUE A PURCHASE ORDER TO CODE CONSULTING GROUPS, LLC FOR FIRE PLAN CHECK SERVICES

APPROVAL OF WARRANTS

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES

CITY MANAGER'S REPORT

4. ORAL REPORT - CITY'S CURRENT FINANCIAL STATUS

CITY ATTORNEY'S REPORTS

5. CLAIMS AGAINST THE CITY:

   Elder Alvarez v. City of Compton - I-8464/LI0000152A
   Isidro Barajas v. City of Compton - I-8465/LI0000153A
   Donnie Birdsong v. City of Compton - I-8467/LI0000155A

CLOSED SESSION

6. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
   Youngblood v. Compton, Case Number TC025032
   Pursuant to California Government Code Section 54956.9(a)

   CONFERENCE WITH LABOR NEGOTIATOR
   Agency Negotiator: P. Lamont Ewell
   Employee Organization: Compton Management Employees Association; SEIU Local 721 - Maintenance and Trades Unit; SEIU Local 721 - Public Safety Auxiliary; Local Union of Municipal Non-Supervisory Employees (LUMNSE); Compton Firefighters IAFF Local 2216
   Pursuant to California Government Code Section 54957

UNFINISHED BUSINESS

NEW BUSINESS

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE REPAYMENT SCHEDULE OF THE GENERAL FUND INTERNAL BORROWING

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH AND ISSUE A PURCHASE ORDER TO MUNISERVICES LLC FOR THE PROVISION OF BUSINESS LICENSE FEES AUDIT TO THE CITY

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, December 27, 2011 @ 5:45 PM.

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

View Meetings Live at mms://207.105.49.220:8080

#2.

DECEMBER 6, 2011

The City Council meeting was called to order at 5:57 p.m. in the Council Chambers of City Hall by Mayor Eric Perrodin.

ROLL CALL

Council Members Present: **Zurita, Dobson, Arceneaux, Jones, Perrodin**
Council Members Absent: **None**

Other Officials Present: **C. Cornwell, A. Godwin, P. Ewell**

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. **CERTIFICATE OF APPRECIATION** - Pastor Michael Fisher, Greater Zion Family - Councilwoman Zurita

Councilperson Zurita and the members of the City Council presented Pastor Fisher with a certificate of appreciation in honor of his devoted service and personal commitment of God-inspired leadership to the Compton community.

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Leo Mavone, Compton resident, felt the City was rapidly changing for the worst, because of the live bands that have been playing in his neighborhood every weekend for the past nine months. He requested the assistance of the City Council in the form of an ordinance or citation to address this issue.

Councilperson Arceneaux sympathized with Mr. Mavone's concerns and directed him to the Sheriff's Department for additional information.

Benjamin Holifield, Compton resident, advised the City Council to authorize public parking in the vacant lot located adjacent to the McDonalds/Chevron gas station on Compton Boulevard. He suggested the use of parking meters on certain streets around City Hall to generate revenue for the City's coffers. He reported on the "parking schemes" in the Popeye's Chicken shopping center and requested an ordinance on the books to stop the excessive towing. He also announced the "First Annual Harvesting Event" to be held on Wednesday, December 14, 2011 at Walton Middle School.

Sandra Lightner, Compton resident and Block Club Commissioner, announced the "2011 Home Holiday Decoration Contest" to be held on Thursday, December 22, 2011. Applications will be available in City Hall and must be submitted in-person by December 19, 2011 at 404 North Alameda Street.

Felicia Holly, Compton resident and Block Club Commissioner, asked the City Council if they were willing to work with the Dumas Company and the Wilmington Arms residents to help them keep their place of residence.

Dr. Peter Smith, Los Angeles County Farmer's Market coordinator, requested an opportunity to bring the Farmer's Market back to the City of Compton.

William Kemp, Compton resident, encouraged the citizens of Compton to "Shop Compton" to replenish the City's coffers. He ascribed the severity and urgency of the City's $39 million deficit on the Mayor, former Councilperson in District One and current Councilperson in District Two. He also contended that the proposed line of credit would not be acquired, due to a lack of support from the Mayor and an agreement with the City's labor unions. He concluded that he would not be a party to the Mayor's recall and that he would rather take him out in 2013.

#2.

Joyce Kelly, Compton resident, stated that she has repeatedly come before this City Council questioning the amount of money being allocated to outside contractors. She affirmed her experiences in upper management which lead her to believe that the finance report from the Director of the Water Department was insufficient, or that he is even qualified for the position. She questioned if certain members of this Body were racially-biased against the Director of the Metropolitan Water District (MWD) and if they were purposely hiding a report from MWD. She mentioned the Christmas decorations and parades conducted in other cities and questioned why the City did not solicit volunteers to trim the trees at the Heritage House. She stated that the funds that could have been saved from the council's 25% reduction in salary could have been used to hire someone to decorate the City. She urged the City Council to think about the poor people in Compton while they were out partying and having a good time.

Lynn Boone, Compton resident, stated that she appreciates the efforts of the City Manager and asked that the Mayor support his efforts as well. She articulated her thoughts about each of the elected officials and addressed Item Number Four. She questioned why this Body would approve $476,000 in grants for Tomorrow's Aeronautical Museum when it should have been disbursed among several different non-profit organizations. She asked that the citizen's interests be taken into consideration when Item Number Twelve is discussed and further asked the City Manager to address the Municipal Law Enforcement Services Department and their authority to work in the City of Compton.

Josefina Reinaga, Compton resident, (translated from Spanish) invited the City Council and the citizens of Compton to attend the "Virgin Mary Processional Event" to be held on Sunday, December 12, 2011.

5:50 P.M. - PUBLIC HEARING - CRANE AVENUE REHABILITATION (ONE-WAY TRAFFIC RESTRICTION) (Item 13)

On motion by Arceneaux, seconded by Dobson, the public hearing was opened at 6:41 p.m., by the following vote on roll call:

AYES: **Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin**
NOES: **Council Members - None**
ABSENT:**Council Members - None**

William Lewis, representative of the Public Works Department, presented a staff report on the Crane Avenue Overlay Project.

AUDIENCE COMMENTS ON THE HEARING

James Campos, long-time Compton resident, expressed his support for this proposal, because his street has not been repaired in 48 years.

William Kemp, Compton resident, stated that he supports anything that improves the City; however he questioned how the City could afford this endeavor if the proposed line of credit is not authorized. Mr. Lewis explained that the City is eligible for Community Block Grant funds for this particular project.

Lynn Boone, Compton resident, asked Mr. Lewis if the sidewalk was safe enough for children or handicapped residents to walk on. She also questioned if an environmental status report would be provided to the public before construction begins and who would monitor the work. Mr. Lewis assured Ms. Boone that a project management team would be present to monitor and inspect the street repair.

Benjamin Holifield, Compton resident, maintained that he has total confidence in Mr. Lewis and his ability to repair the street.

Val Dudley, Compton resident, articulated her concerns for the supervision of the project.

On motion by Dobson, seconded by Arceneaux, the public hearing was closed at 7:02 p.m., by the following vote on roll call:

#2.

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT:Council Members - None

COUNCIL COMMENTS ON THE HEARING

Councilperson Zurita felt the improvements would noticeably enhance Crane Street and the surrounding areas too.

Councilperson Arceneaux expressed her support for this project, citing that it should have been done years ago.

Councilperson Jones held that he was pleased to see this enhancement to the Second and Fourth Districts.

Councilperson Dobson commended the Crane Street residents for their patience and asked Mr. Lewis when the project would begin.

Mr. Lewis explained that the City would be going out to bid within the next thirty to sixty days with a scheduled estimated completion date of June 2012.

Councilperson Dobson instructed Mr. Lewis to ensure that the project is completed on time with no drainage or signage issues.

Mayor Perrodin asked Mr. Lewis if this project would be under the direction of the Water Department or the Public Works Department. Mr. Lewis indicated that this project would be administered by the Public Works Department.

CONSENT AGENDA

ITEMS REMOVED FROM THE CONSENT AGENDA - Items 4, 5, 7 & 8 were removed from the Consent Agenda.

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

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT:Council Members - None

APPROVAL OF MINUTES

2. November 15, 2011

CITY FIRE DEPARTMENT

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AND ACCEPTING THE EXTENSION OF THE PERFORMANCE PERIOD DEADLINE FOR THE URBAN AREA SECURITY INITIATIVE GRANT AND THE ACCEPTANCE OF $6,105.33 (UASI 08) OF FIRE PERSONNEL COMPLETING REGIONAL TERRORISM LIAISON OFFICE TRAINING **(Resolution # 23,435)**

MUNICIPAL LAW ENFORCEMENT SERVICES

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE MUNICIPAL LAW ENFORCEMENT SERVICES' FISCAL YEAR 2011-2012 BUDGET TO ACCEPT AND APPROPRIATE $50,000.00 IN FUNDING TO CONDUCT SOBRIETY CHECKPOINTS IN THE CITY OF COMPTON **(Resolution # 23,436)**

#2.

APPROVAL OF WARRANTS

9. Warrant #203772 - Image Management - Imaging Accounts, Payable Warrants and Time Cards, PDF Conversion/Indexing, Pick-up and Delivery - $939.45 - YTD - $63,896.00 - Requested by: City Controller

ITEMS REMOVED FROM THE CONSENT AGENDA

CITY MANAGER

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2011-2012 BUDGET AND APPROPRIATE ADDITIONAL FUNDS TO THE DEPARTMENT OF EDUCATION GRANT FOR TOMORROW'S AERONAUTICAL MUSEUM AND CITY STAFF SALARIES IN THE AMOUNT OF $141,274.16

Councilperson Zurita requested the number of employees charged to this program and questioned if this was a time sensitive issue.

P. Lamont Ewell, City Manager, explained that the City was proposing to correct the current fiscal year's budget so that it reflects the actual charges of this program. Mr. Ewell noted that any opposition to this proposal could potentially put the City in danger of paying certain charges from the General Fund. This action will reconcile the budget to reflect the true budget that is needed in the current year's budget, but it does not change the $476,000 of the total grant nor is it asking for additional funding.

Renea Ferrell, Grants Manager, stated that there are eight employees listed on the approved grant, however only five employees have been charged from the grant and the remaining employees are volunteers at this point. The majority of the personnel costs/charges are coming from the project director, Myra Petgraves, in the amount of $6,667 every month for the past three years.

Councilperson Zurita asked Ms. Ferrell if the program was in compliance. Ms. Ferrell stated that as of today, no other invoices will be processed until the Year Two Report is submitted and approved.

Councilperson Zurita made a recommendation to withhold any further funding until the program is in compliance. Mr. Ewell stated that this is not a time sensitive issue, however the program must be concluded by September 2012.

Ms. Ferrell indicated that the City would not be able to charge City staff time to the grant, if the program budget is not increased.

Mr. Ewell contended that in the event the council chooses to deny this item, because it requires four votes, the City can choose to terminate the program, but the Department of Education will have to be notified and any additional charges from that point on will have to be covered by the General Fund.

Councilperson Dobson questioned if the eight employees were City employees. Ms. Ferrell indicated that they were employees of Tomorrow's Aeronautical Museum (TAM).

Councilperson Dobson expressed her support until the funds are exhausted. Mr. Ewell clarified that the termination would only affect the project director.

Ms. Ferrell mentioned TAM's request for a budget modification through the Department of Education.

Councilperson Dobson reiterated her support for the program.

Mr. Ewell stated that if the program is terminated the City could be in jeopardy of never receiving any additional funding. Mr. Ewell assured Councilperson Dobson that the City is able to monitor the program effectively.

Councilperson Jones questioned if there was a problem with compliance and how the program was monitored. Ms. Ferrell explained that it was City staff that discovered the $21,011 over-charge on the account.

Councilperson Jones questioned if there was a time, in which the program was not properly audited. Mr. Ferrell affirmed that they were audited on time and noted that they would be auditing them again in approximately three weeks.

Councilperson Arceneaux requested the five positions charged to this account. Ms. Ferrell indicated the five positions paid annually: Program Director ($80,000), Program Assistant ($3,000), Certified Flight Instructor ($1,800), After-school Program and Tutoring Assistant ($1,800) and Program Assistant ($3,000).

Councilperson Arceneaux requested the details of the budget modification. Ms. Ferrell explained that the budget modification was a request to remove the names of the individuals that were not charge to the account and increase the portion that is covered under the grant.

Councilperson Arceneaux requested the justification to increase their stipends. Ms. Ferrell stated that each staff member is considered a full-time employee; therefore they are allowed to increase their stipends.

Ms. Ferrell noted that TAM made the determination to allocate ten percent of the employees paid charges against the account.

Councilperson Arceneaux asked Ms. Ferrell if TAM is in compliance. Ms. Ferrell replied affirmatively, although they have not provided their Year Two Report, which is currently forty days late.

Councilperson Arceneaux requested the reason for the delay. Ms. Ferrell stated that TAM has indicated that they are awaiting a determination from the Department of Education concerning their budget modification before they submit the report.

Mayor Perrodin stated that he is aware of TAM's financial issues and asked Ms. Ferrell if their lack of compliance in the past could jeopardize any future funding for the City. Ms. Ferrell replied affirmatively.

Mayor Perrodin requested the measures taken by the City to ensure that TAM stays in compliance. Ms. Ferrell cited that staff provides TAM with updates from the Dept. of Education and the City and reviews all of their invoices in detail.

Mayor Perrodin recommended an independent book-keeper for the sole purpose of administering the City's grants.

Councilperson Arceneaux requested the percentage of the grant that pays for Ms. Ferrell's salary and her assistant's salary. Ms. Ferrell stated that she did not have that information at this time, however she stated that the portion of her salary charged against this allocation will be funded by the General Fund if this item is not approved.

On motion by Zurita, seconded by Dobson, **Resolution # 23,437** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2011-2012 BUDGET AND APPROPRIATE ADDITIONAL FUNDS TO THE DEPARTMENT OF EDUCATION GRANT FOR TOMORROW'S AERONAUTICAL MUSEUM AND CITY STAFF SALARIES IN THE AMOUNT OF $141,274.16"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones
NOES: Council Members - Perrodin
ABSENT: Council Members - None

#2.

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2011-2012 BUDGET AND APPROPRIATE ADDITIONAL FUNDS TO THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR THE SECURITY CAMERA PROJECT AND CRANE AVENUE PROJECT IN THE AMOUNT OF $461,262.02

Councilperson Dobson asked the City Manager if this appropriation would allocate additional monies to the Crane Avenue Project.

P. Lamont Ewell, City Manager, stated that this is an item to clean-up the budget. These funds were programmed into last year's budget, but were not carried over and identified in the current year's budget. Therefore, in order to access them the City has to include them in the current year's budget.

Councilperson Dobson questioned why the Security Camera and Crane Avenue Projects were combined into one resolution.

Mayor Perrodin recommended that subsequent unrelated appropriations be separated into two resolutions.

Renea Ferrell, Grants Manager, stated that she wrote the report and combined the amounts, because they shared the same funding source from last year's Community Development Block Grant funds.

Mayor Perrodin asked Ms. Ferrell if the $275,000 allocation would complete the Crane Avenue Project. Ms. Ferrell stated that staff would be required to do a substantial amendment to transfer funds from cancelled projects, or otherwise remaining funds.

Mayor Perrodin requested the amount of funds needed to complete the Crane Avenue Project.

William Lewis, representative of the Public Works Department, stated that an estimated $622,824 is needed to complete the Crane Avenue Project.

Mr. Ewell assured the Mayor that the funds were available and could be lost if they are not committed to the project.

Mayor Perrodin noted that all of the City's streets are in need of repair; therefore he requested that a list be created prioritizing the order be brought back for council approval.

On motion by Dobson, seconded by Arceneaux, **Resolution # 23,438** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2011-2012 BUDGET AND APPROPRIATE ADDITIONAL FUNDS TO THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR THE SECURITY CAMERA PROJECT AND CRANE AVENUE PROJECT IN THE AMOUNT OF $461,262.02"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

WATER DEPARTMENT

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID OF AND ENTER INTO A CONTRACT WITH AND ISSUE A PURCHASE ORDER TO INFOSEND FOR PRINTING AND MAILING THE COMPTON MUNICIPAL WATER DEPARTMENT BILLS

Mayor Perrodin requested a detailed explanation of this resolution.

Kambiz Shoghi, General Manager of the Water Department, explained that this company was selected from last year's open competitive bidding process. The Department was happy with their services, therefore they were selected again.

Mayor Perrodin requested the total cost of these services. Mr. Shoghi stated that the contract price is $130,000.

Mayor Perrodin suggested soliciting other companies in hopes to receive the same services at a reduced cost.

P. Lamont Ewell, City Manager, stated that it was important for the City to move forward on this issue, because it will extend the contract for the next six months. He cited that there were no other companies that came close to this price during the bidding process or had the level of knowledge of the Water Department's billing system.

Councilperson Zurita asked Mr. Shoghi if the Water Department considered the paperless billing method. Mr. Shoghi stated that he was awaiting the final decision from the City Treasurer's Office.

On motion by Arceneaux, seconded by Dobson, **Resolution # 23,439** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID OF AND ENTER INTO A CONTRACT WITH AND ISSUE A PURCHASE ORDER TO INFOSEND FOR PRINTING AND MAILING THE COMPTON MUNICIPAL WATER DEPARTMENT'S BILLS"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT:Council Members - None

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT AND ISSUE A PURCHASE ORDER TO QUANTUM CONSULTING FOR PROVISION OF PLANS AND SPECIFICATIONS FOR THE GREENLEAF BOULEVARD REHABILITATION PROJECT (CIP #11-02)

Mayor Perrodin voiced a concern for the Water Department selecting the lowest bidding company and a possibility of excessive change orders.

Kambiz Shoghi, General Manager of the Water Department, indicated that there was specific language within the resolution protecting the City from the change orders. He noted that Quantum Consulting, Inc. was selected at a reduced price because they designed the water line on Greenleaf; and they are already familiar with the City's infrastructure.

On motion by Arceneaux, seconded by Jones, **Resolution # 23,440** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT AND ISSUE A PURCHASE ORDER TO QUANTUM CONSULTING FOR PROVISION OF PLANS AND SPECIFICATIONS FOR THE GREENLEAF BOULEVARD REHABILITATION PROJECT (CIP #11-02)"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT:Council Members - None

END OF THE CONSENT AGENDA

REGULAR AGENDA

CITY MANAGER'S REPORTS - There were no City Manager's Reports.

#2.

CITY ATTORNEY'S REPORTS

10. **CLAIMS AGAINST THE CITY OF COMPTON**

Yamilex Razo v. City of Compton I-8463/LI0000150A

On motion by Arceneaux, seconded by Jones, the above claim was denied, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

CLOSED SESSION

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

On motion by Arceneaux, seconded by Jones, closed session was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

12. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE BY AMENDING SECTION 2-1.2 (REGULAR MEETINGS; ADJOURNMENT) **(First Reading)**

Councilperson Dobson notified her colleagues that the proposed meeting times would be a conflict with her job.

Mayor Perrodin suggested that these changes may have come as a result of something more personal, however he felt it would benefit the senior citizens significantly if the council decided to go back to the previous meeting times.

Councilperson Zurita felt it was more feasible for the community as a whole, to conduct the meetings during the early afternoon hours. Ms. Zurita indicated that the average person could not sit in a council meeting for several hours into the late night and get up and go to work in the morning.

Councilperson Zurita stated that since there is no parking for the 5:45 p.m. meetings anyway, she requested that a section of the employee's underground parking be accessible to the citizens attending the council meetings.

Councilperson Arceneaux requested the effective date of this change if it were to pass.

Craig Cornwell, City Attorney, stated that the proposed change will take place around January 17, 2012, after which the times will be changed to: 5 p.m. on the First and Third Tuesday and 3 p.m. on the Second and Fourth Tuesday.

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

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

On motion by Zurita, seconded by Jones, **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE BY AMENDING SECTION 2-1.2 (REGULAR MEETINGS; ADJOURNMENT)"** was placed on first reading by title only, by the following vote on roll call:

AYES: Council Members - Zurita, Arceneaux, Jones
NOES: Council Members - None
ABSENT: Council Members - Dobson, Perrodin

13. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CONVERSION OF CRANE AVENUE TO A ONE-WAY TRAFFIC STREET BETWEEN COMPTON BOULEVARD AND ROSECRANS AVENUE

On motion by Arceneaux, seconded by Dobson, **Resolution # 23,441** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CONVERSION OF CRANE AVENUE TO A ONE WAY TRAFFIC STREET BETWEEN COMPTON BOULEVARD AND ROSECRANS AVENUE"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

The meeting was recessed to closed session at 8:47 p.m. and reconvened at 10:31 p.m.

Council Members Present: Dobson, Arceneaux, Jones, Zurita
Council Members Absent: Perrodin

<u>REPORT OUT OF CLOSED SESSION</u>

Craig Cornwell, City Attorney, stated that the Mayor and City Council met in closed session under Public Employment titled City Manager pursuant to California Government Code Section 54957. No reportable action was taken.

COUNCIL COMMENTS

Councilperson Dobson announced that the Community Redevelopment Agency would be hosting the "Senior Activity and Parking Structure Ground Breaking Ceremony Event" to be held on Thursday, December 8, 2011 from 2 p.m. to 4 p.m. The ceremony will take place on the corner of Tamarind Avenue and East Palmer Street.

Councilperson Dobson requested an update to the City's emergency preparedness plan to ensure that the Compton community is prepared for the unexpected.

Councilperson Dobson announced that the "Christmas Tree Lighting Ceremony" would be held on Thursday, December 8, 2011 at 5 p.m. in the City Hall lobby.

Mayor Pro-Tem Zurita announced the Parks and Recreation Department's "Youth Basketball Sign-ups" to be held on December 12, 2011 through February 6, 2012. For additional information regarding this activity, please contact the Parks and Recreation Department at (310) 761-1462.

Mayor Pro-Tem Zurita thanked the residents for their support of this City Council and the current City Manager.

Mayor Pro-Tem Zurita requested that the meeting be adjourned in the memory of long-time Compton resident, Benjamin West.

#2.

ADJOURNMENT

On motion by Dobson, seconded by Arceneaux, the meeting was adjourned at 10:38 p.m. in the memory of **Benjamin West**, by the following vote on roll call:

AYES: Council Members - Dobson, Arceneaux, Jones, Zurita
NOES: Council Members - None
ABSENT: Council Members - Perrodin

____
Clerk of the City of Compton

____
Mayor of the City of Compton

#3.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Fire Department**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH AND ISSUE A PURCHASE ORDER TO CODE CONSULTING GROUPS, LLC FOR FIRE PLAN CHECK SERVICES**

Bryan Batiste	**11/23/2011 6:52:25 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**12/15/2011 6:24:09 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**12/15/2011 6:32:04 PM**
CITY CONTROLLER	DATE
P. Lamont Ewell	**12/15/2011 6:19:05 PM**
CITY MANAGER	DATE

Use when:

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

December 20, 2011

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH AND ISSUE A PURCHASE ORDER TO CODE CONSULTING GROUP, LLC FOR FIRE PLAN CHECK SERVICES

SUMMARY

This Resolution authorizes the City Manager to enter into a contract with Code Consulting Group, LLC and issue a purchase order in the amount of $8,000.00 for as-needed plan check services for the Compton Fire Department.

BACKGROUND

The Fire Department utilizes the services of a variety of vendors for its operations each year. Among these services is the review of complex fire plans that exceed the level of in-house expertise for purposes of ensuing compliance with all applicable codes and ordinances.

STATEMENT OF THE ISSUE

In order to maintain an optimal level of service and keep plan check approvals – and the turn-around times – at an acceptable level that will not impede the economic development of the community, the Fire Department requires the assistance of a qualified firm to review complex fire plans. The Department contacted three 3 consulting firms requesting that they present proposals for performing the needed services, to wit: Code Consulting Group, LLC of Downey, Melad and Associates of Huntington Beach and JAS Associates of Ontario. JAS Associates did not response to the request. Melad and Associates would be willing to provide plan check services only with a 1 to 2 week turn-around. Code Consulting Group presented a proposal to provide as-needed complex plan checks with a 1 week turn-around period, in addition to some in-house training and availability to attend meetings within the City and respond to questions from developers and contractors.

FISCAL IMPACT

Fees for these services are collected when plans are submitted to the Department for review and approval. The purchase order requested herein is an advance of the funds that will be collected from the applicants. Code Consulting Group charges $75.00 per hour for their review, with an additional $10.00 per hour charge that compensates the City for departmental costs associated with its operations. This funding does not present an additional liability to the General Fund in

#3.

that payments from the purchase order are made after fees have been collected from applicants for services rendered. Funds are available in Account 1001-690-000-4262.

RECOMMENDATION

Staff recommends that the Council adopt the attached Resolution authorizing the City Manager to enter into a contract with Code Consulting Group, LLC and issue a purchase order in the amount of $8,000.00 for as-needed plan check services for the Compton Fire Department for Fiscal Year 2011-2012.

JON THOMPSON
FIRE CHIEF

P. LAMONT EWELL
CITY MANAGER

#3.

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH AND ISSUE A PURCHASE ORDER TO CODE CONSULTING GROUP, LLC FOR FIRE PLAN CHECK SERVICES

WHEREAS, the Fire Department utilizes the services of a variety of vendors for its operations; and

WHEREAS, to maintain an optimal level of service and keep plan check approvals, and turn-around times, at an acceptable level that will not impede the economic development of the community, the Fire Department requires the assistance of a qualified firm to review complex fire plans to ensure compliance with all applicable codes and regulations; and

WHEREAS, Code Consulting Group, LLC has the expertise and experience required for complex and comprehensive plan check services, and further proposes to provide the Department with in-house training and availability to attend meetings with/for the City and respond to questions from developers and contractors; and

WHEREAS, staff is requesting that a purchase order be issued in the amount of $8,000.00, which represents an advance of the funds that will be collected for the applicants; and

WHEREAS, funds are available in Account No. 1001-690-000-4262.

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

Section 1. That the City Manager shall be authorized to enter into a contract with Code Consulting Group, LLC to provide plan check services to the Compton Fire Department on an as-needed basis for Fiscal Year 2011-2012.

Section 2. That a purchase order is the amount of Eight Thousand Dollars ($8,000.00) is hereby authorized.

Section 3. That funds are available in account 1001-690-000-4262 of the Fire Department's budget for fiscal year 2011/12.

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

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

ADOPTED this _______ day of ________________, 2011.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

#3.

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the forgoing 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 ________________, 2011.

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

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

____
CITY CLERK OF THE CITY OF COMPTON

#5.

December 20, 2011

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8464/LI0000152A

SUMMARY

Council will consider the claim of Elder Alvarez (Claim No. I-8464/LI0000152A), presented to the City on November 9, 2011, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On November 9, 2011, Elder Alvarez presented the above claim to the City Controller's Office, for damage to his vehicle which was allegedly sustained when a City tree fell onto his vehicle on November 4, 2011. Claimant's vehicle was parked near 1307 Spring Avenue in Compton.

These cases usually turn on whether the City had actual or constructive notice of the dangerous condition (i.e., the tree about to fall). There are no facts to indicate the City had the legally required notice. Staff is also disputing the facts as alleged by Claimant. Consequently, there is no liability at this time.

FINANCIAL IMPACT

Unknown at this time.

RECOMMENDATION

Staff recommends that this claim be denied.

/S/

CRAIG J. CORNWELL
CITY ATTORNEY

December 20, 2011

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8465/LI0000153A

SUMMARY

Council will consider the claim of Isidro Barajas (Claim No. I-8465/LI0000135A), presented to the City on November 8, 2011, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On November 8, 2011, Isidro Barajas presented the above claim to the City Controller's Office in the amount of $2,041.62, for damage to his vehicle which was allegedly sustained when a City tree fell onto his vehicle on November 4, 2011. Claimant's vehicle was parked near 1304 Spring Avenue in Compton.

These cases usually turn on whether the City had actual or constructive notice of the dangerous condition (i.e., the tree about to fall). There are no facts to indicate the City had the legally required notice. Staff is also disputing the facts as alleged by Claimant. Consequently, there is no liability at this time.

FINANCIAL IMPACT

Two Thousand Forty One Dollars and Sixty Two Cents ($2,041.62).

RECOMMENDATION

Staff recommends that this claim be denied.

/S/

CRAIG J. CORNWELL
CITY ATTORNEY

#5.

December 20, 2011

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **CITY ATTORNEY**

SUBJECT: **CITY ATTORNEY REPORT/CLAIM NO. I-8467/LI0000155A**

SUMMARY

Council will consider the claim of Donnie Birdsong (Claim No. I-8467/LI0000155A), presented to the City on November 8, 2011 pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On November 8, 2011, the above claim was presented to the City Controller for property damage. Claimant alleges that on November 7, 2011, while driving north on Wilmington Boulevard near 133rd Street, his vehicle was damaged due to a pothole.

Cases such as this usually turn on whether the City had notice of the alleged condition. There are no facts to suggest that the City had the requisite notice prior to the date of incident. In addition, staff has conducted a site inspection and reviewed the pictures and information presented by Claimant. Based upon our investigation, the damage alleged by Claimant appears to have occurred as the result of factors other than the condition of the City street at the time of the incident. Consequently, there is no liability.

FINANCIAL IMPACT

Two Hundred Twenty Five Dollars and No Cents ($225.00).

RECOMMENDATION

Staff recommends that this claim be denied.

___________/S/________________

CRAIG J. CORNWELL
CITY ATTORNEY

#7.

December 20, 2011

TO: HONORABLE MAYOR & COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE REPAYMENT SCHEDULE OF THE GENERAL FUND INTERNAL BORROWING**

SUMMARY

This resolution is for the City Council to approve the repayment schedule regarding the amortization of the amounts owed by the General Fund to other internal funds.

BACKGROUND

The City Manager's presentation of October 18, 2011 indicated the need for General Fund to commence repayment of the cash borrowed from other funds to pay for General Fund expenditures in years when there were not enough revenues to adequately fund the General Fund expenditures. The City Council on November 8, 2011 approved the minute motion regarding the proposed action plan to improve the City's finances. Part of this plan relates to the need for the City to discuss with the Independent Auditors a repayment schedule acceptable to the Auditors regarding the timing and amounts of the repayments to be made by the General Fund to those Funds whose monies were borrowed by General Fund.

As of June 30, 2011, the General Fund owed a total of $41,921,071 to various internal funds of the City. This total amount owed to other funds consists of the following:

1. $32,555,436 General Fund's negative balance in the Pooled Checking Account which meant that the General Fund drew money from the pool over and above the General Fund revenues that were brought into the pooled checking account. Several Funds such as the Retirement Fund, Sewer Fund and Water Fund have positive balances in the Pooled Checking account meaning that the funds brought more revenues into the Pooled Checking account than they actually spent in the past.

2. The amount of $5,328,000 is owed to the Community Redevelopment Agency for purchase of Park Land from the Community Redevelopment Agency (Fund 1203). The park properties were initially sold by the City to CRA several years ago. However, due to legal complications (also raised by the Independent Auditors) the parks were resold back to the City.

#7.

The City Council approved the resale of the park property and directed that the Agency be fully reimbursed through resolution number 1,778. However, the General Fund has not had the available funds to repay the Agency to date.

3. The total of $4,037,635 mainly representing the amount allocated through the budget process in the fiscal year 2008/2009 to be paid out of the Agency's tax allocation revenues (Fund 1200) for services/expenditures incurred by City departments on behalf of CRA. However, the expenditures did not properly meet the eligibility criteria and were therefore disallowed by our External Independent Auditors. The General Fund has yet to pay back the amount to the Agency.

The Independent Auditors cited the City in its fiscal year 2009/2010 audit report regarding the General Fund deficit and indebtedness. The City Manager and City Controller had discussions with the Independent Auditors regarding the desire to treat the amounts owed by the General Fund as long term indebtedness with repayment spread over a period of 20 years. It may be necessary to have separate bank accounts for some of the funds in the Pooled Checking account to ensure that the repayments made by the General Fund to those funds are deposited in their own separate bank account.

It is necessary to curtail General Fund expenditures from now on to ensure that General Fund revenues are adequate to meet General Fund expenditures without having to use the cash belonging to other funds. Also, it is imperative that the repayment schedule be complied with to give assurance to third parties including the City's Banks, Bondholders, Independent Auditors and Auditors from grantee Agencies that the City is committed to repay the amounts owed by General Fund to other funds.

The repayment schedule is shown below. The repayment schedule includes interest rate of 3.5% which is based on the prevailing 20-year mortgage rate as of the date of this resolution.

#7.

CITY OF COMPTON

AMORTIZATION SCHEDULE - REPAYMENT BY GENERAL FUND

Serial No.	Fiscal Year	Beginning Loan Balance	Interest 3.5%	Fiscal Year Repayment	Ending Loan Balance
1	2011/2012	$ 41,921,071	$ 1,467,237	-	$ 43,388,308
2	2012/2013	$ 43,388,308	$ 1,518,591	$ 100,000	$ 44,806,899
3	2013/2014	$ 44,806,899	$ 1,568,241	$ 200,000	$ 46,175,140
4	2014/2015	$ 46,175,140	$ 1,616,130	$ 1,300,000	$ 46,491,270
5	2015/2016	$ 46,491,270	$ 1,627,194	$ 3,000,000	$ 45,118,464
6	2016/2017	$ 45,118,464	$ 1,579,146	$ 3,500,000	$ 43,197,610
7	2017/2018	$ 43,197,610	$ 1,511,916	$ 3,500,000	$ 41,209,526
8	2018/2019	$ 41,209,526	$ 1,442,333	$ 3,500,000	$ 39,151,859
9	2019/2020	$ 39,151,859	$ 1,370,315	$ 4,000,000	$ 36,522,174
10	2020/2021	$ 36,522,174	$ 1,278,276	$ 4,000,000	$ 33,800,450
11	2021/2022	$ 33,800,450	$ 1,183,016	$ 4,000,000	$ 30,983,466
12	2022/2023	$ 30,983,466	$ 1,084,421	$ 4,000,000	$ 28,067,887
13	2023/2024	$ 28,067,887	$ 982,376	$ 4,000,000	$ 25,050,263
14	2024/2025	$ 25,050,263	$ 876,759	$ 4,000,000	$ 21,927,023
15	2025/2026	$ 21,927,023	$ 767,446	$ 4,000,000	$ 18,694,469
16	2026/2027	$ 18,694,469	$ 654,306	$ 4,000,000	$ 15,348,775
17	2027/2028	$ 15,348,775	$ 537,207	$ 4,000,000	$ 11,885,982
18	2028/2029	$ 11,885,982	$ 416,009	$ 4,000,000	$ 8,301,991
19	2029/2030	$ 8,301,991	$ 290,570	$ 4,000,000	$ 4,592,561
20	2030/2031	$ 4,592,561	$ 160,740	$ 4,753,301	$ (0)

FINANCIAL IMPACT

There is no financial impact on the current fiscal year 2011/2012 budget. The repayment will commence in the fiscal year 2012/2013.

RECOMMENDATION

It is recommended that the attached resolution be adopted.

P. Lamont Ewell
City Manager

#7.

RESOLUTION NO. ________________________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE REPAYMENT SCHEDULE OF THE GENERAL FUND INTERNAL BORROWING

WHEREAS, the City Manager's presentation of October 18, 2011 indicated the need for General Fund to commence repayment of the cash borrowed from other funds to pay for General Fund expenditures in years when there were not enough revenues to adequately fund the General Fund expenditures; and

WHEREAS, the City Council on November 8, 2011 approved the minute motion regarding the proposed action plan to improve the City's finances; and

WHEREAS, part of the action plan relates to the need for the City to discuss with the Independent Auditors a repayment schedule acceptable to the Auditors regarding the timing and amounts of the repayments to be made by the General Fund to those Funds whose monies were borrowed by General Fund; and

WHEREAS, as of June 30, 2011, the General Fund owed a total of $41,921,071 to various internal funds of the City. This total amount owed to other funds consists of the following:

1. $32,555,436 General Fund's negative balance in the Pooled Checking Account which meant that the General Fund drew money from the pool over and above the General Fund revenues that were brought into the pooled checking account. Several Funds such as the Retirement Fund, Sewer Fund and Water Fund have positive balances in the Pooled Checking account meaning that the funds brought more revenues into the Pooled Checking account than they actually spent in the past.

2. The amount of $5,328,000 is owed to the Community Redevelopment Agency for purchase of Park Land from the Community Redevelopment Agency (Fund 1203). The park properties were initially sold by the City to CRA several years ago. However, due to legal complications (also raised by the Independent Auditors) the parks were resold back to the City. The City Council approved the resale of the park property and directed that the Agency be fully reimbursed through resolution number 1,778. However, the General Fund has not had the available funds to repay the Agency to date.

3. The total of $4,037,635 mainly representing the amount allocated through the budget process in the fiscal year 2008/2009 to be paid out of the Agency's tax allocation revenues (Fund 1200) for services/expenditures incurred by City departments on behalf of CRA.

#7.

However, the expenditures did not properly meet the eligibility criteria and were therefore disallowed by our External Independent Auditors. The General Fund has yet to pay back the amount to the Agency.

WHEREAS, the Independent Auditors cited the City in its fiscal year 2009/2010 audit report regarding the General Fund deficit and indebtedness.

WHEREAS, the City Manager and City Controller had discussions with the Independent Auditors regarding the desire to treat the amounts owed by the General Fund as long term indebtedness with repayment spread over a period of 20 years.

WHEREAS, it may be necessary to have separate bank accounts for some of the funds in the Pooled Checking account to ensure that the repayments made by the General Fund to those funds are deposited in their own separate bank account.

WHEREAS, it is necessary to curtail General Fund expenditures from now on to ensure that General Fund revenues are adequate to meet General Fund expenditures without having to use the cash belonging to other funds; and

WHEREAS, it is imperative that the repayment schedule be complied with to give assurance to third parties including the City's Banks, Bondholders, Independent Auditors and Auditors from grantee Agencies that the City is committed to repay the amounts owed by General Fund to other funds; and

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

Section 1. That the repayment schedule listed below is hereby approved.

Section 2. That the interest rate for repayment shall be based on the current 20-year mortgage rate which is 3.5% as of the date of this resolution.

CITY OF COMPTON

AMORTIZATION SCHEDULE - REPAYMENT BY GENERAL FUND

Serial No.	Fiscal Year	Beginning Loan Balance	Interest 3.5%	Fiscal Year Repayment	Ending Loan Balance
1	2011/2012	$ 41,921,071	$ 1,467,237	-	$ 43,388,308
2	2012/2013	$ 43,388,308	$ 1,518,591	$ 100,000	$ 44,806,899
3	2013/2014	$ 44,806,899	$ 1,568,241	$ 200,000	$ 46,175,140
4	2014/2015	$ 46,175,140	$ 1,616,130	$ 1,300,000	$ 46,491,270
5	2015/2016	$ 46,491,270	$ 1,627,194	$ 3,000,000	$ 45,118,464
6	2016/2017	$ 45,118,464	$ 1,579,146	$ 3,500,000	$ 43,197,610
7	2017/2018	$ 43,197,610	$ 1,511,916	$ 3,500,000	$ 41,209,526
8	2018/2019	$ 41,209,526	$ 1,442,333	$ 3,500,000	$ 39,151,859
9	2019/2020	$ 39,151,859	$ 1,370,315	$ 4,000,000	$ 36,522,174
10	2020/2021	$ 36,522,174	$ 1,278,276	$ 4,000,000	$ 33,800,450
11	2021/2022	$ 33,800,450	$ 1,183,016	$ 4,000,000	$ 30,983,466
12	2022/2023	$ 30,983,466	$ 1,084,421	$ 4,000,000	$ 28,067,887
13	2023/2024	$ 28,067,887	$ 982,376	$ 4,000,000	$ 25,050,263
14	2024/2025	$ 25,050,263	$ 876,759	$ 4,000,000	$ 21,927,023
15	2025/2026	$ 21,927,023	$ 767,446	$ 4,000,000	$ 18,694,469
16	2026/2027	$ 18,694,469	$ 654,306	$ 4,000,000	$ 15,348,775
17	2027/2028	$ 15,348,775	$ 537,207	$ 4,000,000	$ 11,885,982
18	2028/2029	$ 11,885,982	$ 416,009	$ 4,000,000	$ 8,301,991
19	2029/2030	$ 8,301,991	$ 290,570	$ 4,000,000	$ 4,592,561
20	2030/2031	$ 4,592,561	$ 160,740	$ 4,753,301	$ (0)

Section 3. That a certified copy of this resolution shall be filed in the Offices of the City Manager, City Controller and City Clerk.

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

#7.

RESOLUTION NO. ____________
PAGE FOUR

ADOPTED this ______ day of ______________________, 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 forgoing resolution was adopted by the City Council, signed by the Mayor, attested to by the City Clerk at a regular meeting thereof held on the _____ day of ______________________ 2011.

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

AYES:	COUNCIL MEMBER(S)-
NOES:	COUNCIL MEMBER(S)-
ABSENT:	COUNCIL MEMBER(S)-
ABSTAINS:	COUNCIL MEMBER(S)-

____
CITY CLERK OF THE CITY OF COMTPON

#8.

December 20, 2011

TO: HONORABLE MAYOR & COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH AND ISSUE A PURCHASE ORDER TO MUNISERVICES LLC FOR THE PROVISION OF BUSINESS LICENSE FEES AUDIT TO THE CITY**

SUMMARY

This resolution is an authorization for the City Manager to enter into an agreement with MuniServices, LLC to provide Business License Fees audit service to the City.

BACKGROUND

The City Council on November 8, 2011 approved the minute motion regarding the proposed action plan to improve the City's finances. Part of the action plan relates to the need for the City to reduce General Fund expenditures and increase revenue collections to erase the budget gap. Staff has determined that there is a need for the City to review sources of revenues to the City to ensure that the City gets accurate amounts of revenues due to the City from the various sources. A review of the revenues collected by the City from Business License Fees (account code 1001-000-000-3245) showed a steady decline over the past three fiscal years as follows:

Fiscal Year	**Amount Collected from Business License Fees**
2008/2009	$1,610,426
2009/2010	$1,530,348
2010/2011	$1,435,835

Staff has decided to perform an audit of business license fees as part of efforts to boost revenues. However, the audit will not be performed in-house because it will require significant investment in staffing and training of employees. Also, the City currently does not have access to information sources to ensure proper audit of the business incomes of the businesses. Some of the businesses have multi-locations and report revenues nationally for their various locations. The audit would involve ability to independently assess information relating to the correct amount of revenues generated within the City of Compton by some of the businesses. It is imperative to minimize set-up costs for the audit without negatively impacting effectiveness of the audit exercise. Further, there is a need to commence the audit as quickly as possible to ensure that the City obtain some of the gains of the audit exercise in the current fiscal year by way of increase in revenue. Staff has estimated that the business license audit could result in an annual revenues increase of about $300,000. The City has not performed any business license audit for over 10 years.

Staff is recommending that we engage MuniServices, LLC to perform an audit of the business license fees to ensure that the City is getting the amount rightly due to the City. The City did not undertake formal bidding process because of the intention to move forward quickly on the business license audit and to enable the City realize some of the gains of the audit exercise in the current fiscal year. The business license fees audit shall be for one year. Muniservices LLC has agreed to engage one or two of the City's employees as part of the audit team for on-the-job training purposes. The trained City employees will perform the audit of the business license fees in the future years.

MuniServices, LLC has been providing services to the City of Compton since 1992 including sales and use tax audit, sales/use tax analysis and reporting, property tax, and utility users' tax compliance services. MuniServices, LLC has recovered over $1.9 million in new tax revenues for the City. MuniServices LLC has access to various information sources and databases regarding the revenue generated by the companies operating within the City. However, audit of the business license fees was not included as part of the services provided by the company. MuniServices, LLC has consistently provided municipal revenue enhancement services since 1972 by helping municipalities preserve, enhance, and manage their revenue base. Working exclusively in the government sector, MuniServices is one of the few firms in the United States providing Revenue Discovery, Audit, Collections, and Information Services that encompass every municipal tax source. MuniServices helps local governments fulfill the expanding demands of their constituents, even in the place of flat or low-growth revenue performance. MuniServices extensive service offerings are used in part, and in whole, by over 260 cities throughout the United States; in California alone, MuniServices serves 9 of the 10 largest cities. To-date, MuniServices has recovered over $1 billion in tax revenue for its clients.

FINANCIAL IMPACT

MuniServices' compensation for providing business license fees audit will be a contingency fee of 40% of the additional revenue received by the City from the each business that owed the City subject to a maximum of $15,000. There will be no out-of-pocket cost to the City. Payment for the business license audit shall be funded from the additional revenues received by way of a deduction from such additional revenue collections and that the service will not be funded from the current expenditure budget of the City.

RECOMMENDATION

It is recommended that the attached resolution be adopted.

P. Lamont Ewell
City Manager

#8.

RESOLUTION NO. __________________________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH AND ISSUE A PURCHASE ORDER TO MUNISERVICES LLC FOR THE PROVISION OF BUSINESS LICENSE FEES AUDIT TO THE CITY

WHEREAS, the City Council on November 8, 2011 approved the minute motion regarding the proposed action plan to improve the City's finances; and

WHEREAS, part of the action plan relates to the need for the City to reduce General Fund expenditures and increase revenue collections to erase the budget gap; and

WHEREAS, staff has determined that there is a need for the City to review sources of revenues to the City to ensure that the City gets accurate amounts of revenues due to the City from the various sources; and

WHEREAS, a review of the revenues collected by the City from Business License Fees (account fund 1001-000-000-3245) showed a steady decline over the past three fiscal years as follows:

Fiscal Year	**Amount Collected from Business License Fees**
2008/2009	$1,610,426
2009/2010	$1,530,348
2010/2011	$1,435,835

WHEREAS, it is necessary for the City to perform a business license fees audit to ensure that the City is receiving correct revenues from the business license fees. However, the City recognizes that the audit cannot be performed in-house because it will require additional investment in staffing and training of employees. Also, the City currently does not have access to up-to-date information sources to ensure proper audit of the business incomes of the businesses. Some of the businesses have multi-locations and report revenues nationally for their various locations. The audit would involve ability to independently assess information relating to the correct amount of revenues generated within the City of Compton by some of the businesses.

WHEREAS, there is a need to minimize set-up costs for the audit without negatively impacting the effectiveness of the audit exercise. Further, it is imperative to commence the audit as quickly as possible to ensure that the City obtain some of the gains of the audit exercise in the current fiscal year by way of increase in revenue. Staff has estimated that the business license audit could potentially result in an increase in annual revenues. The City has not performed any business license audits for over 10 years.

WHEREAS, MuniServices, LLC has been providing services to the City of Compton since 1992 including sales and use tax audit, sales/use tax analysis and reporting, property tax, and utility users' tax compliance services. MuniServices, LLC has recovered over $1.9 million in new tax revenues for the City. MuniServices LLC has access to various information sources and databases regarding the revenue generated by the companies operating within the City. However, audit of the business license fees was not included as part of the services provided by the company in its current agreement with the City.

#8.

RESOLUTION NO. ____________
PAGE TWO

WHEREAS, MuniServices, LLC has consistently provided municipal revenue enhancement services since 1972 by helping municipalities preserve, enhance, and manage their revenue base. Working exclusively in the government sector, MuniServices is one of the few firms in the United States providing Revenue Discovery, Audit, Collections, and Information Services that encompass every municipal tax source. MuniServices helps local governments fulfill the expanding demands of their constituents, even in the place of flat or low-growth revenue performance. MuniServices extensive service offerings are used in part, and in whole, by over 260 cities throughout the United States; in California alone, MuniServices serves 9 of the 10 largest cities. To-date, MuniServices has recovered over $1 billion in tax revenue for its clients.

WHEREAS, staff recommends the City engage MuniServices, LLC to perform an audit of the business license fees to ensure that the City is receiving the amount rightly due to the City. Staff did not competitive proposals because of the City's current financial concerns and intention to move forward quickly on the business license audit and to enable the City to realize some of the gains of the audit exercise in the current fiscal year. MuniServices, LLC's familiarity with the City and current agreements will allow for minimum start-up time

WHEREAS, the business license fees audit to be provided by Muniservices LLC will be for one year. The Company has agreed to engage one or two of the City's employees as part of the audit team for on-the-job training purposes. The trained City employees will perform the audit of the business license fees in the future years.

WHEREAS, MuniServices, LLC has indicated that the compensation for providing the business license audit will be based on a contingency fee of 40% of the additional business license revenue received by the City from each business that has been identified as owing the City, subject to a maximum amount of $15,000 per business. There will be no out-of-pocket cost to the City.

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

Section 1. That the City Manager, upon the advice of the City Attorney, is hereby authorized to enter into a contract with and issue a purchase order to MuniServices LLC for the provision of business license fees audit for an amount not to exceed 40% of the additional revenues collected from each business that owes the City subject to a maximum amount of $15,000 per business. The business license fees audit shall include fiscal years 2009-2010, 2010-2011 and 2011-2012.

Section 2. That payment for the business license audit shall be funded from the additional revenues received by way of a deduction from the revenue collections and that the service will not be funded from the current expenditure budget of the City.

Section 3. That a certified copy of this resolution shall be filed in the Offices of the City Manager, City Controller and City Clerk.

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

ADOPTED this ______ day of ______________________, 2011.

____

MAYOR OF THE CITY OF COMPTON

#8.

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 forgoing resolution was adopted by the City Council, signed by the Mayor, attested to by the City Clerk at a regular meeting thereof held on the _____ day of ____________________ 2011.

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

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

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CITY CLERK OF THE CITY OF COMTPON