

NOTICE

The Urban Community Development Commission (UCDC) was established by Ordinance August 15, 1975 to function as the governing body of the Community Redevelopment Agency. Its purpose is to aid in planning and implementing projects in the City of Compton.

URBAN COMMUNITY DEVELOPMENT COMMISSION AGENDA

**Tuesday, February 19, 2008
6:50 PM**

WORKSHOP(S)

HEARING(S)

OPENING

ROLL CALL

APPROVAL OF MINUTES

1. JANUARY 22, 2008

ORAL AND WRITTEN COMMUNICATION

UNFINISHED BUSINESS

NEW BUSINESS

2. A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, IMPLEMENTING THE AGENCY'S POLICIES AND PROCEDURES FOR THE APPROVAL OF PURCHASE ORDERS AND CONTRACTS AND, RESCINDING RESOLUTION NO. 1,697.

AUDIENCE COMMENTS

COMMISSION COMMENTS

ADJOURNMENT

JANUARY 22, 2008

The Urban Community Development Commission meeting was called to order at 3:27 p.m., in the Council Chambers of City Hall by Chairperson Pro-Tem Barbara Calhoun.

Roll Call

Commissioners Present: Arceneaux, Hall, Calhoun
Commissioners Absent: Dobson, Perrodin

Other Officials Present: C. Cornwell, A. Godwin, C. Evans

APPROVAL OF MINUTES On motion by Arceneaux, seconded by Hall, the minutes of **November 20, 2007, November 27, 2007, December 4, 2007, December 11, 2007, December 18, 2007 and January 2, 2008** were approved by the following vote on roll call:

AYES: Commissioners - Arceneaux, Hall, Calhoun
NOES: Commissioners - None
ABSENT: Commissioners - Dobson, Perrodin

EXECUTIVE SECRETARY'S REPORT

Request to Schedule a Public Hearing - 2008 PHA Annual Plan On motion by Hall, seconded by Arceneaux, the hearing was scheduled for 4/1/08 at 6:50 p.m., by the following vote on roll call:

AYES: Commissioners - Arceneaux, Hall, Calhoun
NOES: Commissioners - None
ABSENT: Commissioners - Dobson, Perrodin

UNFINISHED BUSINESS There was no Unfinished Business.

NEW BUSINESS

ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, IMPLEMENTING THE AGENCY'S POLICIES AND PROCEDURES FOR THE APPROVAL OF PURCHASE ORDERS AND CONTRACTS It was moved by Arceneaux, seconded by Hall, to adopt the resolution.

1.

Chairperson Pro-Tem Calhoun declared that she was in opposition of this resolution. Ms. Calhoun indicated that a similar resolution was adopted under the former City Manager Barbara Kilroy, in which it was stipulated that copies of vendor purchase orders, contracts and payments would be forwarded to members of the commission. Ms. Calhoun stated that she has never received copies of any documents relating to vendor payments, contracts, etc. Therefore, Ms. Calhoun maintained that she could not support this resolution, under the current terms and conditions.

Chairperson Pro-Tem Calhoun requested legal advice from the City Attorney.

Chief Deputy City Attorney Craig Cornwell proposed that Chairperson Pro-Tem Calhoun direct the City Manager to revisit the previous resolution. Mr. Cornwell stated that this resolution would authorize the City Manager to approve vendor payments up to \$25,000.00.

Chairperson Pro-Tem Calhoun questioned if the commission would like to reconsider the previous resolution.

Commissioner Arceneaux agreed that members of the commission should receive copies of all vendor payments, regardless of the payment amount. Ms. Arceneaux cited that vendors have been paid in small increments in the past, which may have potentially allowed for overpayment.

Chief Deputy City Attorney Cornwell indicated that the separation of payments to one vendor was not authorized within one fiscal year.

Chairperson Pro-Tem Calhoun questioned how the commission could determine if vendor contract thresholds had been met, if they never received copies of prior payments.

Commissioner Hall recommended that the following language be incorporated into the resolution: "Prior to the execution of a contract amounting to \$25,000.00 or less, a memorandum must be forwarded to each member of the commission."

Chairperson Pro-Tem Calhoun agreed with Commissioner Hall's recommendation.

Commissioner Hall motioned that all expenditures, invoices, payments, etc. be forwarded to the commission for notification purposes.

On motion by Hall, seconded by Arceneaux, **Resolution # 1,697** entitled “**A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF COMPTON ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, IMPLEMENTING THE AGENCY'S POLICIES AND PROCEDURES FOR THE APPROVAL OF PURCHASE ORDERS AND CONTRACTS**” was adopted with the aforementioned changes by the following vote on roll call:

AYES: Commissioners - Arceneaux, Hall, Calhoun
NOES: Commissioners - None
ABSENT: Commissioners - Dobson, Perrodin

**ACTING AS THE COMMUNITY
REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON,
AMENDING THE CITY OF
COMPTON'S 2007-08 FISCAL
YEAR BUDGET AND
APPROPRIATING ADDITIONAL
FUNDS TO EXPAND THE
FIRST TIME HOMEBUYERS
PROGRAM**

Reagendad (four vote requirement)

AUDIENCE COMMENTS

There were no Audience Comments.

COMMISSION COMMENTS

There were no Commission Comments.

On motion by Hall, seconded by Arceneaux, the meeting was adjourned at 3:37 p.m., by the following vote on roll call:

AYES: Commissioners - Arceneaux, Hall, Calhoun
NOES: Commissioners - None
ABSENT: Commissioners - Dobson, Perrodin

**Clerk of the Urban Community
Development Commission**

**Chairman of the Urban Community
Development Commission**

February 19, 2008

TO: CHAIRPERSON AND COMMISSIONERS

FROM: EXECUTIVE SECRETARY

SUBJECT: A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, IMPLEMENTING THE AGENCY'S POLICIES AND PROCEDURES FOR THE APPROVAL OF PURCHASE ORDERS AND CONTRACTS, AND RESCINDING RESOLUTION NO. 1,697.

SUMMARY:

The Urban Community Redevelopment Commission ("Commission"), acting as the Community Redevelopment Agency ("Agency"), will consider a resolution that will rescind Resolution No. 1,697, which was adopted by the Commission on January 22, 2008, so as to revise the policies and procedures adopted in Resolution No. 1,697 by adding a reporting requirement for purchase orders, purchase order additions and contracts that are issued and/or executed in an amount that is above \$5,000.00, but within the approval authority of the resolution.

Other than the above-noted revision, the language and purpose of this proposed resolution remains the same; to wit: establishment of new policies and procedures for administrative approval of purchase orders and contracts in order to reduce the volume of small transaction-oriented resolutions submitted to the Commission for review. The new policies will allow the Commission to focus its attention on fiscally significant activities and policies by reducing the number of small transactions requiring Commission approval. It should be noted that all transactions will still be required to comply with City of Compton and Commission policies and procedures for review and approval prior to execution. Additionally, elimination of the resolution requirement for small transactions will save time on the part of the Agency and several City departments and allow Agency business to be executed more quickly and efficiently.

STATEMENT OF THE ISSUE:

The time and attention of the Commission is a valuable asset, and it should be reserved for matters significant to the City of Compton. Currently, the Commission reviews and adopts by resolution a variety of Agency transactions, including:

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Policies/Procedures for Approval of
Purchase Orders and Contracts
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- 1. All purchase orders over \$5000**
- 2. All authorizations for contracts regardless of the amount**

The practice of approving these transactions by resolution places a significant workload on the Commission for review and approval, on the administrative departments for review and on the Agency for preparation. In addition, the resolution process may delay the acquisition of goods and services that are needed by the Agency and/or the citizens.

Consequently, staff is requesting that the policy for requiring Commission adoption of resolutions be changed for each of the above described transaction types.

1. Purchase Orders. The Compton Municipal Code does not explicitly require the Commission to adopt purchase orders individually by resolution. Traditionally, however, all purchase orders of \$5000 or more have been submitted to the Commission by resolution prior to their execution. Staff is requesting that the amount required for Commission approval be increased to purchase orders in the amount of more than \$25,000. Therefore, purchase orders will not require adoption of the Commission by separate resolution if they are:

- For an amount of \$25,000 or less;
- Properly approved by the Executive Secretary and/or other required staff;
- Applied to an existing appropriation; and
- Fulfill in whole or in part a budgeted expenditure as adopted by the Commission in the Combined Budget Resolution for the current fiscal year.

To provide added control over the \$25,000 Purchase Order resolution requirement, the following procedural changes are requested:

- Purchase Orders for the same vendor, for the acquisition of related goods/services, and occurring in the same fiscal year shall be treated as one combined Purchase Order for purposes of determining if the \$25,000 threshold is met.
- A new addition to an existing Purchase Order shall be combined with the original Purchase Order and any previous additions to the Purchase Order for purposes of determining if the \$25,000 threshold is met.
- Purchase Orders will not be split in order to avoid the \$25,000 threshold, including splits near the cutoff between fiscal years.
- A list of all Purchase Orders, Purchase Order additions and Contracts issued and/or executed in an amount that is above \$5,000.00, but within

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Policies/Procedures for Approval of
Purchase Orders and Contracts
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the approval authority of this resolution will be reported to the Commission on a monthly basis.

3. Contracts. Equally prolific and time consuming has been the Commission approval process for Agency contract authorizations. While historically, purchase orders of less than \$5,000 have been generally subject to only administrative approval, authorizations to enter into contracts on behalf of the Agency, regardless of how minimal the amount of compensation involved, typically have required adoption of a Commission resolution.

In light of the fact that the Commission and Agency were established pursuant to authority granted by State law, there are certain provisions of the California Public Contract Code that must be followed by the Agency in awarding certain types of contracts. For example, Section 20688.2 of the *California Public Contract Code* requires that grading, clearing, demolition or construction work undertaken by the agency be done by contract after competitive bids if the cost of that work exceeds \$5,000. The proposed resolution does not authorize the Agency to forgo the requirements of Section 20688.2, but rather will authorize the Executive Secretary to award a public improvement contract that amounts to \$25,000 or less to the lowest most responsible bidder without a separate resolution.

Staff is requesting that the Executive Secretary be given authority, upon the advice and approval of the Commission General Counsel (i.e. City Attorney), to enter into contracts on behalf of the Agency when the total amount of compensation to be paid pursuant to the contract is \$25,000 or less.

FINANCIAL IMPACT:

There is no expected cost associated with the acceptance of the requested policy changes. However, it is anticipated that a lower volume of proposed resolutions will save time and increase the efficiency of the Agency and several City departments.

2.

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Policies/Procedures for Approval of
Purchase Orders and Contracts
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RECOMMENDATION:

Staff recommends that the Commission adopt the attached Resolution revising and replacing the current policies and procedures for approval of purchase orders and contracts, and rescinds Resolution No. 1,697, which was adopted by the Commission on January 22, 2008.

**KOFI SEFA-BOAKYE
DIRECTOR, COMMUNITY
REDEVELOPMENT AGENCY**

**CHARLES EVANS
EXECUTIVE SECRETARY**

Attachment: Proposed Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, IMPLEMENTING THE AGENCY'S POLICIES AND PROCEDURES FOR THE APPROVAL OF PURCHASE ORDERS AND CONTRACTS AND, RESCINDING RESOLUTION NO. 1,697.

WHEREAS, by ordinance adopted pursuant to authority granted by State law (*California Health & Safety Code Sections 33000 et seq.*), the Urban Community Development Commission ("Commission") was established to function as the governing body of the Community Redevelopment Agency ("Agency"); and

WHEREAS, the Commission reviews a large number of resolutions, many of which relate to the normal operations of the Agency; and

WHEREAS, the time of the Commission has a finite limit and should be wisely allocated to matters most important to the Agency and its City's residents; and

WHEREAS, the employees of the Agency spend time preparing resolutions relating to normal operations of the Agency and their time is also finite; and

WHEREAS, expediting the normal operations of the Agency should increase efficiency and in some situations reduce costs to the Agency.

NOW, THEREFORE THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That Resolution No. 1,697, adopted by the City Council on January 22, 2008 is hereby rescinded.

Section 2. That purchase orders in an amount greater than \$25,000 will be submitted to Urban Community Development Commission by resolution prior to being executed. Purchase orders do not require adoption by resolution if they are:

- For an amount of \$25,000 or less;
- Properly approved by the Executive Secretary and/or other required staff;
- Applied to an existing appropriation; and
- Fulfill in whole or in part a budgeted expenditure as adopted by the Commission in the Combined Budget Resolution for the current fiscal year.

Section 3. That the following purchase order procedures are now in effect:

- Purchase Orders for the same vendor, for the acquisition of related goods/services, and occurring in the same fiscal year shall be treated as one combined Purchase Order for purposes of determining if the \$25,000 threshold is met.
- A new addition to an existing Purchase Order shall be combined with the original Purchase Order and any previous additions to the Purchase Order for purposes of determining if the \$25,000 threshold is met.
- Purchase Orders will not be split in order to avoid the \$25,000 threshold, including splits near the cutoff between fiscal years.
- A list of all Purchase Orders, Purchase Order additions and Contracts issued and/or executed in an amount that is above \$5,000.00, but within the approval authority of this Resolution will be reported to the Commission on a monthly basis.

Section 4. That upon the advice and approval of the General Counsel, the Executive Secretary is authorized to enter into contracts on behalf of the Agency, without first having the Commission adopt a separate authorizing resolution, when the total amount of compensation to be paid by the Agency pursuant to the contract is \$25,000 or less. This provision shall be applicable to public improvement contracts that amount to \$25,000.00 or less when the contract is awarded to the lowest responsible bidder pursuant to a formal bidding process in accordance with State law.

Section 5. That a certified copy of this Resolution shall be filed in the offices of the Commission Clerk, Executive Secretary, the Community Redevelopment Agency, City Controller and General Counsel (City Attorney).

Section 6. That the Chairman of the Commission shall sign and the Commission Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____ 2008.

**CHAIRMAN OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

ATTEST:

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

Resolution No. _____
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STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

I, Alita Godwin, Clerk of the Urban Community Development Commission, hereby certify that the foregoing Resolution was adopted by the Commission at a regular meeting thereof held on the _____ day of _____ 2008.

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

AYES: COMMISSIONERS -
NOES: COMMISSIONERS -
ABSTAIN: COMMISSIONERS -
ABSENT: COMMISSIONERS -

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

RESOLUTION SIGN-OFF FORM

DEPARTMENT: City Attorney

RESOLUTION TITLE: A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, IMPLEMENTING THE AGENCY’S POLICIES AND PROCEDURES FOR THE APPROVAL OF PURCHASE ORDERS AND CONTRACTS AND, RESCINDING RESOLUTION NO. 1,697.

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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