NOTICE

COMPTON CITY COUNCIL
AGENDA
Tuesday, June 18, 2013
5:45 PM

HEARING(S)

5:50 P.M. - PUBLIC HEARING - 2013/2014 FISCAL YEAR BUDGET

6:05 P.M. - JOINT PUBLIC HEARING - AMENDING THE CAPITAL IMPROVEMENT PLAN AND REALLOCATE CAPITAL FUNDING FOR PROJECTS FINANCED THROUGH REFINANCING OF LEASE REVENUE BONDS (Item #21)

OPENING

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. **PLAQUE PRESENTATION** - Mayor Eric J. Perrodin and Councilwoman Lillie Dobson, 2nd District **(Presented by: Compton Chamber of Commerce, Concerned Citizens, NAACP)**

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. MAY 14, 2013
   JUNE 3, 2013 - Special

REPORTS OF OFFICERS AND COMMISSIONS

CITY ATTORNEY

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH CIRCLE K STORES INC. FOR A TEMPORARY ACCESS AGREEMENT AT TRAGNIEW PARK

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES

CITY MANAGER'S REPORT

4. A REQUEST TO SCHEDULE A PUBLIC HEARING FOR THE CITY OF COMPTON HOUSING ELEMENT 2006-2014 GPA 2012-2 AND MITIGATED NEGATIVE DECLARATION 932 **(July 2, 2013 at 6:00 p.m.)**

5. A REQUEST TO SCHEDULE A PUBLIC HEARING FOR THE APPEAL OF THE PLANNING COMMISSION DECISION TO DENY CONDITIONAL USE PERMIT CASE NO. 2720 FOR THE 7ELEVEN CONVENIENCE STORE **(July 9, 2013 at 6:00 p.m.)**

CITY ATTORNEY'S REPORTS

6. ORAL PRESENTATION

   ANIMAL MAINTENANCE
   DERRETT vs. CITY OF COMPTON

CLOSED SESSION

7. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

   Title: City Manager
   City Controller
   Pursuant to California Government Code Section 54957

8. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Perez v. City of Compton, WCAB Case Number ADJ7734883
Baker v. City of Compton, WCAB Case Number ADJ3964372 and ADJ4081926
Shandell v. City of Compton, LASC Case Number TC 020 285
Warren v. City of Compton, LASC Case Number BC 389182
Hartford v. City of Compton, USDC, Case Number CV 12-04357 DMG-MRW
Pursuant to California Government Code Section 54956.9(a)

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

UNFINISHED BUSINESS

10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER’S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON’S LIGHTING AND LANDSCAPE ASSESSMENTS DISTRICT NO. 1 CHARGES FOR FISCAL YEAR 2013/2014

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER'S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON'S SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014

12. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE LIGHTING AND LANDSCAPE DISTRICT NO. 1 FISCAL YEAR 2013/2014

13. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS OF SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A PURCHASE ORDER WITH THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES

15. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2012-2013 BUDGET AND TO ENTER INTO AN AGREEMENT WITH COMPTON CHAMBER OF COMMERCE

16. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON SUPPORTING THE ADOPTION OF CALIFORNIA ASSEMBLY BILL (AB) 28 TO REFORM THE STATE'S ENTERPRISE ZONE (EZ) PROGRAM

17. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON OPPOSING THE GOVERNOR'S MAY BUDGET REVISE OF THE 2013-2014 STATE BUDGET PROPOSING SUBSTANTIAL REFORMS TO THE CALIFORNIA ENTERPRISE ZONE (EZ) PROGRAM

18. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON OPPOSING THE ADOPTION OF CALIFORNIA SENATE BILL (SB) 434 TO SIGNIFICANTLY REFORM THE STATE'S ENTERPRISE ZONE (EZ) PROGRAM

19. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING GRANT FUND ACCOUNT #2620 OF THE 2012-2013 FISCAL YEAR BUDGET TO INCREASE REVENUES AND EXPENDITURES

20. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE TO DELETE SECTION 2-1.12 (ADJOURNMENT OF CITY COUNCIL MEETINGS IN AUGUST) IN ITS ENTIRETY (FIRST READING)

21. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING CHANGES TO THE DEFINITION OF "2008 PROJECT" UNDER THE FACILITY LEASE AND THE TRUST AGREEMENT RELATING TO THE COMPTON PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS (REFUNDING AND VARIOUS CAPITAL PROJECTS), SERIES 2008 AND REALLOCATING MONEYS IN THE 2008 PROJECT FUND THEREFORE AND AMENDING THE FISCAL YEAR 2012-2013 BUDGET

<u>NEW BUSINESS</u>

22. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE SOFTWARE LICENSE AND MAINTENANCE AGREEMENT WITH AON ESOLUTIONS FOR PROVISION OF THE RISK MANAGEMENT IVOS DATABASE AND INSTALLATION OF THE ELECTRONIC MEDICAL BILL REVIEW INTERFACE SYSTEM FOR BILL PAY AND REVIEW

23. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THE RESULTS OF THE GENERAL MUNICIPAL ELECTION HELD IN SAID CITY ON JUNE 4, 2013

24. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE COMPETITIVE TREE PLANTING GRANT IN THE AMOUNT OF $150,000 FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDING

25. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDS-COMPETITIVE GRANT IN THE AMOUNT OF $500,000 FOR THE COMPTON CREEK PHASE III AND AMEND THE 2012-2013 FISCAL YEAR BUDGET

26. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON TO ACCEPT AND APPROPRIATE FUNDS FROM THE DEPARTMENT OF JUSTICE, JUSTICE ASSISTANCE GRANT FOR FISCAL YEAR 2012-2013 IN THE AMOUNT OF $115,619 AND AMEND THE 2012-2013 FISCAL YEAR BUDGET

27. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING THE BUDGET FOR FISCAL YEAR 2013 - 2014

APPROVAL OF WARRANTS

28. Warrant #215990 - Date - 6/3/13 - Name - California Department of Health Services - Service - Payment - Water System Fees (July 2012-December 2012) - Amount - $6,438.60 - Requested by: City Manager

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, June 25, 2013 @ 5:45 PM.

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#2.

MAY 14, 2013

The City Council meeting was called to order at 6:37 p.m. in the Council Chambers of City Hall by Mayor Pro-Tem Lillie Dobson.

ROLL CALL

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

Other Officials Present: **C. Cornwell, A. Godwin, G. H. Duffey**

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. **ORAL PRESENTATION** - Housing Element - Planning Department (Presentation made)

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Benjamin Holifield, Compton resident, asked that the Fourth District councilperson make more of an effort to comment on presentation materials. He indicated that his passion and his vision is that Compton becomes more business friendly. He proposed that the City bring back parking meters and consider eliminating the Municipal Law Enforcement Services Department to save money. He also suggested that audience members be allowed to speak at the podium adjacent to the dais where staff presents to council. He also asked that they start the meetings on time, and that speakers be allowed to sign up the day before the council meeting.

Charles Strickland, Compton resident, congratulated Omar Bradley for winning the endorsement of the Compton Fire Department. He commended both Mayor Perrodin and Omar Bradley for their perseverance through the negative comments directed at them at candidates' forums. He indicated Supervisor Mark Ridley-Thomas has a fiduciary duty to respect the Mayor, the citizens, and the City but he is in neglect. He also asked that the candidates be transparent with the community so that they can make an informed decision on Election Day.

Reverend Brown, First Charity Missionary Baptist Church, requested sixty days and an opportunity to develop a series of events to commemorate the City of Compton's 125th birthday.

Mayor Pro-Tem Dobson expressed her support for the proposal.

Councilperson Arceneaux voiced her support as well.

Herbert Arceneaux, Compton resident, petitioned the City Council to buy advertisement space in the Compton Tribune newspaper to assist them financially. He mentioned the campaign signs on telephone poles and cited that it is illegal for candidates to post them there. He also mentioned an excessive amount of bicycle riders in his neighborhood and asked that they be required to wear reflective gear at night. He stated that he is happy with the way the City is operating and asked the City Attorney if it was possible for someone from his office to attend National Association of Equal Justice in America (NAEJA) meetings. He also asked if Diana Sanchez was refunded her $500 deposit because her signs are still posted around the City.

City Clerk Alita Godwin stated that she is awaiting a report from staff before she refunds the candidates' deposits.

City Attorney Cornwell informed Mr. Arceneaux that he has been attending NAEJA meetings since 2007; however he has been unable to attend them regularly due to multiple absences in the department.

***Mayor Perrodin in at 7:33 p.m.**

#2.

Maria Villa Real, Compton resident and President of the Latino Chamber of Commerce, thanked the following individuals that contributed to the success of the community event held May 4, 2013: Neal Thomas from the City Manager's Office, Parks & Recreation, Latino Chamber of Commerce, Albert and Eliza Ramirez, AYSO, Metro PCS, Parents of Watts, Sweet Alice, All-Pro Printing, Josie Renega, Compton Tribune, Compton Fire Department, Business License Department, Fronk's Carburetor, and Cliff's Tex Mex Burritos.

Elaine Proctor, Compton resident, petitioned the City Council to address the maintenance of the streets on Wilmington Boulevard between El Segundo and Rosecrans.

Lorraine Cervantes, Compton resident, affirmed that she could not find any law in the City Charter to substantiate the City Attorney's legal opinion and requested a legal opinion supported by law. She also held that it is illegal for any one council member to give orders to city employees.

Joyce Kelly, Compton resident, affirmed that this election is very important--the City of Compton does not need any more ineffective, insufficient, self-centered people in office.

Lynn Boone, Compton resident, stated that after meeting with and making inquiries about mayoral candidate Aja Brown she discovered some inconsistencies in her name, marital status, job experience and the likelihood of her qualifying for the First Time Homebuyers program.

CONSENT AGENDA

ITEMS REMOVED FROM THE CONSENT AGENDA - Item Number Two was removed for discussion.

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

WATER DEPARTMENT

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO SPRINGBROOK SOFTWARE COMPANY TO PAY FOR CUSTOM UPGRADES TO THE UTILITY BILLING SOFTWARE **(Resolution # 23,754)**

Councilperson Zurita asked if the upgrades would be user friendly.

Michael Harvey, Water Department representative, replied affirmatively and explained that this item is not related to the automated system software.

ITEMS REMOVED FROM THE CONSENT AGENDA

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

2. COUNCIL RECEIVE & FILE - AUDIT FINDINGS FROM CPA FIRM MACIAS GINI & O'CONNELL LLP REGARDING CLAIMS OF WASTE, FRAUD AND ABUSE DURING 2010-2011 FISCAL YEAR

Councilperson Arceneaux asked the city manager to read into the record a summary of the audit findings.

City Manager Duffey reported that Macias, Gini & O'Connell (MGO) has indicated that there is no evidence of waste, fraud, or abuse but the Mayor's concerns required them to look into five subject matters: Housing Authority, journal entries, cash handling audit, self insurance audit and retirement audit.

SUMMARY OF FINDINGS:

Concerns described by the Mayor of Compton against the Compton Housing Authority (Authority) -

- The auditors did not find anything that proves that the Authority's internal control system management process accounting and data processing did not adequately assure that the program was effectively and efficiently managed. However, they did find and identify information system controls that could be improved.

Concerns raised by the Mayor against specific areas of the City -

- The auditors found that there was no loan made to Johnson Controls for $4M in 2008.
- The purchase of land in the amount of $5.3M was recorded in the City's financial system.
- PERS contributions were calculated correctly, however they were not paid in a timely manner

Concerns raised by the Mayor about the controls over the handling of cash by staff of the Department of Building & Safety -

- The auditor found no evidence that cash is allowed.

Concerns raised by the Mayor about the City's management of its self-insurance programs -

- The findings were that the city's processes for paying workers' compensation claims is well controlled and documented
- No evidence that the City is not properly managing administrative leave since leave is used infrequently and there is almost no written criteria covering its use

Concerns raised by the Mayor of Compton about City activities and budgeting for the re-hiring of retired public employees generally referred to as re-employed annuitants -

- The finding stated that the City has hired few annuitants since July 1, 2010 the City has only hired three re-employed annuitants.
- Although the audit did not have a signed opinion, it was a complete audit that was circulated to the bond holders and certified by State Controller John Chan meeting all state and federal guidelines.

As a result, staff believed that the report is sufficient to move forward and not have to spend additional proceeds to go back and re-engage Moyers, Hoffman & McCain (MH&M) to update the 2010-2011 report.

Councilperson Dobson asked if the auditors were still refusing to sign.

City Manager Duffey replied that the City would have to re-engage MH&M.

Councilperson Dobson asked if they were paid. City Manager Duffey replied affirmatively.

City Attorney Cornwell stated that the City is under no contract to request a signature for the audit--the City would have to prepare new representation which would require their willingness to enter into an agreement with the City.

#2.

Councilperson Zurita asked the city manager if the State Controller is comfortable with the opinions that have been rendered. City Manager Duffey asserted that the state controller has stated that the audit completed by MH&M meets the requirements.

Councilperson Zurita requested the amount paid to MH&H so far.

City Manager Duffey indicated that he did not have that amount. [The city controller cited approximately $90,000 from the audience.]

Councilperson Dobson asked the City Attorney if MH&M was obligated to sign the document.

City Attorney Cornwell stated that they could sign it willingly or the City could file legal discourse.

Mayor Perrodin stated that he was glad to hear that there was no fraud or anything else in City Hall--he has a full-time job with the district attorney's office and was only voicing the concerns of city employees.

Mayor Perrodin maintained that this is the first time he has ever seen a firm decline to give an opinion because the Mayor has concerns. The Mayor mentioned that MH&M is the same accounting firm that the city of Bell used, and stated that he hopes that the future administration follows the city manager's recommendations.

Councilperson Jones directed the city manager to ensure that staff follows through on the accounting firm's recommendation.

On motion by Zurita, seconded by Dobson, the audit findings were received and filed, by the following vote on roll call:

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

END CONSENT AGENDA

REGULAR AGENDA

CITY MANAGER'S REPORTS

4. REQUEST TO SCHEDULE A PUBLIC HEARING FOR THE DENIAL AND APPROVAL OF THE 2013 FIREWORKS APPLICATION

On motion by Arceneaux, seconded by Zurita, the public hearing was scheduled for May 21, 2013 at 5:50 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

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

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE CPA FIRM MACIAS GINI & O'CONNELL TO PROVIDE INDEPENDENT CITY-WIDE AUDIT SERVICES FOR FISCAL YEAR 2011-2012

#2.

On motion by Arceneaux, seconded by Jones, **Resolution # 23,755** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE CPA FIRM MACIAS GINI & O'CONNELL TO PROVIDE INDEPENDENT CITY-WIDE AUDIT SERVICES FOR FISCAL YEAR 2011-2012"** 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 WARRANTS

6. Warrant #215618 - 5/8/13 - Urban Graffiti Enterprises Inc. - Graffiti Removal - $4,675.00 - Requested by: City Manager

On motion by Zurita, seconded by Arceneaux, the above warrant 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

COUNCIL COMMENTS

Councilperson Arceneaux mentioned that she had the opportunity to attend the Dollarhide Neighborhood Center's Mother's Day event. Ms. Arceneaux also assured Ms. Proctor that the city manager is currently working on a street maintenance schedule.

Councilperson Zurita requested solar lighting at the Greenleaf Parkway, and thanked everyone that participated in the success of the Mother's Day event held at Dollarhide Neighborhood Center.

Councilperson Zurita mentioned that she had the opportunity to celebrate Mother's Day with Sacred Heart Church family at a Mexican Restaurant on Rosecrans Avenue. She asked that the streetlight on Arbutus Street be fixed and mentioned that the traffic signal on Central and Compton Boulevard is scheduled to be operative in twenty-two days.

Councilperson Dobson encouraged the residents to attend the Compton Community College District board meeting and public hearing to address Proposition 30 funds on Wednesday, May 21, 2013 at 6:30 p.m.

Councilperson Dobson mentioned that she also had the opportunity to attend the Mother's Day event at Dollarhide Neighborhood Center.

Councilperson Dobson encouraged the residents to exercise their right to vote Tuesday, June 4, 2013.

Mayor Perrodin commended the city manager for his efforts to increase the gaming revenues coming into the City.

Mayor Perrodin announced that Governor Brown is proposing to eliminate Enterprise Zones and asked that concerned citizens write letters of opposition to their assemblyman, state senator, and governor regarding the impact on business redevelopment.

#2.

ADJOURNMENT

On motion by Arceneaux, seconded by Zurita, the meeting was adjourned at 9:06 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

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

#2.

JUNE 3, 2013

A Special City Council meeting was called to order at 6:15 p.m. in the Council Chambers of City Hall by Mayor Eric Perrodin. The Pledge of Allegiance and Moment of Silence ceremonies were also led 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, G. H. Duffey**

6:00 P.M. - PUBLIC HEARING - 2013/2014 FISCAL YEAR BUDGET

City Manager Duffey presented the 2013-2014 fiscal year budget.

The City of Compton's General Fund budget is a balanced budget for FY2013-14 with revenue of $48.25M and expenses of approximately $47M, leaving a projected fund balance of $1.25M. The revenue estimates include baseline revenue for approximately $44M, garnered from traditional revenue, such as sales, use and property taxes. Staff anticipates that additional revenue will be gained from implementation of the City's Cost Allocation Plan (CAP), revenue enhancements, liquidation of assets, new fees and Public Private Partnerships.

Personnel Increases and Partial Restoration of Concessions

The 2013-14 budget has an increase in existing labor costs of approximately $400,000. The increase partially (1/3) restores labor concessions from the 2012-13 budget (over $800,000 in employee concessions which included 12 days of furloughs and a reduction in fire personal allowances). The 2013-14 budget also reflects the return of employees that were improperly laid off. It also honors salary increases agreed upon in the 2010-11 budget that were never implemented. The impacted positions are all in non-general fund departments.

In addition, based upon budget workshop information, Council Priorities and operational needs, staff is also requesting an additional $1.3M in new positions to carry out and improve the delivery of department core services. The 2013-14 budget represents the city manager's and the executive leadership team's view of the resources needed to provide the best level of service possible in FY2013-14.

Employee Concessions

The Labor Coalition members and their bargaining units agreed to furloughs. Non-general fund field operations will be exempt from furloughs (recommendation)

Cost Allocation Plan (CAP)

The CAP identifies the City's overhead and tries to recapture the cost from non-general fund departments. The CAP establishes an overhead rate to charge external agencies, which will result in full cost recover (staff time, benefits, and overhead). The CAP identifies approximately $22M in overhead, of which it is only scheduled to recoup $2.45M in this year's budget. Full implementation will require all fees and charges to be reviewed to ensure the allowable charge from CAP is incorporated into all fees and charges.

Organizational Structure

The City Council created the Department of Public Works and Municipal Utilities in 2012-13 resulting in a consolidation of the Public Works and the Water Departments.

The City Clerk's Office will assume leadership of reproduction services with an emphasis on developing a long range plan to scan and catalog material for the entire City of Compton. The Clerk has also requested the concept of the City Council moving toward paperless agendas.

General Services shall assume responsibility for central purchasing, IT services and Fleet Maintenance.

Additional Equipment and Programs to maintain Core Services

The budget includes a one-time payment of approximately $700,000 to acquire all vehicles currently leased from Enterprise Rental Car (fleet services).

Staff is incorporating resources into the budget for an update of the City's webpage to ensure it is more user-friendly. Staff will also be upgrading the City's building land use software as well as the City's financial system.

Other Funds

The Successor Agency administrative overhead will be limited to an allowable amount of approximately $450,000. Once the agency is completely dissolved the General Fund will receive approximately $3.4M annually in additional property tax revenue.

Capital Improvement Program (CIP)

The CIP budget with various funds includes projects financed from sewer, water, and CRA Bond funds, grants received from various sources, and other funds totaling in excess of $50M. A major project scheduled for completion in the FY2013-14 is the new Senior Center estimated at $10M.

Liquidation of Assets

With the addition of 30,000 more square feet for the City to maintain, the city manager is proposing to liquidate: Dollarhide Senior Center, 600 Alameda and the Sheriff Station.

2033 Road Improvement Plan

Within the Road Rehabilitation Plan staff is proposing funds in excess of $40M for street and road improvements with the passing of a $.07 parcel tax ($.05 for roads and $.02 for parks and recreation). The funds will be placed in a trust fund and can only be used for the dedicated purpose. The proposal is for the City to pass the $.07 parcel tax and at the same time the City's $3M obligation for the Compton Police Retirement system ends.

Appreciation is expressed to the entire City staff team involved in preparing the FY2013-14 Preliminary Budget with special acknowledgment of the department heads and their support staff.

Mayor Perrodin expressed a concern for the overtime allocated to the fire department in the absence of adding additional firefighters, and the deletion of the secretary to the mayor's position in the proposed budget.

Councilperson Dobson also voiced a concern for the deletion of deputy fire chief position.

City Manager Duffey assured Councilperson Dobson that the position is not scheduled to be deleted from this budget.

Councilperson Jones asked the city manager if it is his recommendation to keep the .5 captain position over the assistant fire chief position.

City Manager Duffey stated that based upon his discussions with the fire chief, he believes the .5 captain position is a great start to effectively increasing services and also not busting the budget.

Councilperson Zurita requested the difference in duties for the positions of captain and deputy fire chief.

Jon Thompson, Fire Chief, explained that the deputy fire chief assumes full responsibility of the department in his absence, monitors and evaluates the efficiency and effectiveness of the service delivery and model, and oversees the fire prevention bureau and plan checking.

Councilperson Jones questioned the topic of concern for the proposed .5 captain position if the fire chief has identified an adequate funding source.

City Manager Duffey remarked that he did not accept the fire chief's recommendation for the .5 captain due to rumors and innuendos that the deputy fire chief position was being deleted, of which is fully funded in the budget. Mr. Duffey noted that he wants to wait to ensure that the funding sources materialize before increasing the position to a whole position.

Mayor Perrodin proposed that the City allocate $700,000 from the $1.2M fund balance to the fire department's overtime budget.

Councilperson Arceneaux asked Fire Chief Thompson if the positions of deputy fire chief and.5 captain are secured in his proposed budget. Fire Chief Thompson replied affirmatively.

Councilperson Zurita proposed that more fire fighters be hired in an effort to lower their budget.

AUDIENCE COMMENTS ON THE HEARING

Lee Wax, Coalition of Compton Unions, commented that the fire department should have adequate staffing and fire equipment. He also proposed that the City hire a real estate specialist to develop and/or sell properties owned by the Successor Agency.

Mayor Perrodin clarified that seven years ago, certain members of this City Council replaced every vehicle in the fire department.

William Scott, Compton resident, asked where he could receive a copy of the City Council's salaries.

Mayor Perrodin referred Mr. Scott to the Mayor and Council’s Budget.

Mr. Scott questioned how the amounts are configured and if the citizens could amend or regulate them.

Mayor Perrodin noted that enough signatures must be obtained to put a measure on the ballot for a vote of the citizens, and if it passes, that will be the new law for the City.

Joyce Kelly, Compton resident, insisted that Compton has the wrong person for city manager. She expressed concerns for another assistant city manager and asked that Mr. Duffey check with the department heads to find out what the City needs.

Lorraine Cervantes, Compton resident, petitioned the City Council to keep the deputy fire chief position in the budget. Ms. Cervantes also inquired about funding for the Compton Chamber of Commerce.

Kareemah Bradford, Compton resident, expressed a concern for the condition of the City’s parks, major thoroughfares and Gateway Towne Center as a result of furloughs. She proposed that the City conduct an investigation on what happened in the late 80’s when the City was short-staffed and unfunded liabilities incurred.

Councilperson Arceneaux asked the city manager to explain his strategy to address the aesthetics of the City.

#2.

City Manager Duffey answered that within the budget is a proposal to restore the superintendent for Parks and Recreation to be able to program and manage funds to maintain the City's parks.

Barbara Calhoun, Compton resident and former councilperson, petitioned the City Council to change the graffiti removal timeline from 24 - 48 hours to the next day. She also proposed that the City use community service workers to maintain the City's major thoroughfares.

City Manager Duffey remarked that the City has a memorandum of understanding with SSG to work the parks and the Martin Luther King, Jr. Transit Center.

Lynn Boone, Compton resident, questioned why the city manager is authorizing $450,000 for the winding down of the Successor Agency's overhead when they are being assisted by someone from the City Manager's Office. She proposed that the Senior Center be built on Alondra Boulevard south of the Compton airport and that the proceeds from selling Agency properties be used to pay down the water infrastructure bond and lower the resident's water bills. She further cited opposition to the proposal to liquidate the City's assets and additional city managers.

Mayor Perrodin directed the city manager to publicly announce how much the water bills would increase as of July 1, 2013. The Mayor also proposed that the City explore the feasibility of Ms. Boone's suggestion to pay down the water bond.

Mr. Monk, union representative, thanked City Manager Duffey and City Attorney Cornwell for working with the unions to bring back 95% of city employees that were unjustly laid off.

Arthur Keeton, Compton resident, asked the city manager to address how much of the budget is allocated towards pot hole repair, tree trimming, and infrastructure improvements; and whether or not it costs more money to hire interim or permanent positions. Mr. Duffey confirmed that it does not cost more to hire interim employees and that the City has spent the majority of this year bringing back employees that were unjustly laid off.

Mr. Keeton went on to ask why the City Council gets paid during the month of August.

Mayor Perrodin stated that the City Council passed an ordinance that pays them over the span of twelve months versus per meeting. Mr. Keeton asked if it would be more cost effective to purchase vehicles for the City Council instead of paying them a car allowance of $600 per month.

Mr. Duffey notified Mr. Keaton that the City would be responsible and liable for the city vehicle but the decision to amend the ordinance is the council's decision.

Herbert Arceneaux, Compton resident, voiced a concern for the condition of the City's trees and streets.

Julius Franklin, Compton resident, asked that council address the route that tractor trailers and trucks are supposed to travel; if the new Senior Center will be opened before the Dollarhide Neighborhood Center property is sold, and the difference in the $48M budget total in comparison to the entire budget of $158M.

City Manager Duffey stated that the $48M is just the general fund and the $162M is other funds, the sales tax amount is a projection from MuniServices, and the new Senior Center is scheduled to open in March 2014.

Mayor Perrodin referred Mr. Franklin to the Sheriff's department or the Public Works department for the truck route.

Lillie Darden, Compton resident, requested information regarding the base salary and the duties and responsibilities of the proposed assistant city manager position. City Manager Duffey reported that the additional assistant city manager would be responsible for overseeing public works community development, in addition to allowing him the opportunity to operate regionally.

Ms. Darden asserted that it would be in the best interest of the City to utilize the assistant city manager's salary to hire five or six part-time employees to clean up the City.

Compton resident requested the average amount that the water bills would increase as of July 1, 2013.

Councilperson Arceneaux announced that a town hall meeting would be held in the near future to address the water rates. City Manager Duffey cited a tentative date of June 25, 2013.

Marie Hollis, Compton resident, petitioned the city manager to hold the supervisors accountable for their employees to ensure that every area of the City is properly maintained.

On motion by Zurita, seconded by Dobson, the hearing was closed at 9:27 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

COUNCIL COMMENTS ON THE HEARING

Councilperson Arceneaux maintained that she would hold the city manager to his word that things would improve once the new fiscal budget is passed.

Councilperson Dobson asked the city manager to address the Sheriff department's funding distribution, the number of Sheriff's deputies assigned to the City, and if the City could charge them rent and utilities.

City Manager Duffey proposed that those actions be taken in September when discussing the new contract.

Councilperson Dobson questioned how the $18M figure came about. Mr. Duffey remarked that it is a 3% increase in their contract as programmed by the Sheriff's.

Councilperson Dobson proposed that the City address the amount of the Sheriff's contract and what the City is getting for $18M, and contended that it is only fair that they pay rent and utilities.

Councilperson Zurita congratulated the city manager on a balanced budget.

Councilperson Jones asked that the City charge and collect all allowable fees owed to the City.

Mayor Perrodin requested funding for both the Compton and Latino Chamber of Commerce. The Mayor also commented that Municipal Law Enforcement Services should be under the auspices of the City Attorney's Office. He also proposed that Lead Worker and Custodian positions be added to the General Services department and questioned why the City Attorney's Office is adding a Deputy City Attorney I position.

City Attorney Cornwell replied that his office needs an entry level position.

Mayor Perrodin went on to propose that community center director positions be added to the budget to accommodate all of the City's parks and the Dollarhide Neighborhood Center.

Mayor Perrodin also noted that if the lay-offs were improper it was due to an employee in the Personnel Department that provided the list to the former city manager Willie Norfleet.

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS - There was no New Business.

#2.

COUNCIL COMMENTS

Councilperson Zurita encouraged everyone to exercise their right to vote Tuesday, June 4, 2013.

Councilperson Dobson requested that the meeting be adjourned in the memory of Jessie Mae McCoy.

Mayor Perrodin urged the citizens to vote Tuesday, June 4, 2013.

ADJOURNMENT

On motion by Zurita, seconded by Dobson, the meeting was adjourned at 10:08 p.m. in the memory of **Jessie Mae McCoy**, by the following vote on roll call:

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

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

JUNE 18, 2013

TO: MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CRAIG CORNWELL, CITY ATTORNEY

RE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH CIRCLE K STORES INC. FOR A TEMPORARY ACCESS AGREEMENT AT TRAGNIEW PARK

SUMMARY

The City Council will consider adopting a resolution authorizing the City Manager to enter into an agreement with Circle K for temporary access to Tragniew Park for environmental work.

BACKGROUND

Circle K owns property at 2001 W. Alondra Boulevard in Compton, which is also known as the former Mobil Station, No. 18JR1. The Regional Water Quality Control Board required remediation at this site. Results from groundwater testing prompted the Regional Water Quality Control Board to require additional monitoring and testing at Tragniew Park.

STATEMENT OF THE ISSUE

URS is the environmental consultant hired by Circle K to undertake additional testing as required by the Regional Water Quality Control Board, pursuant to an environmental investigation and cleanup of the former Mobil Station at 2001 W. Alondra. The Groundwater Monitoring Report provided to the City, dated April 4, 2013, indicates that CIRCLE K is to obtain site access to the north/northwesterly section in Tragniew Park, among further activities. URS, on behalf of CIRCLE K, has provided a copy of the workplan for Offsite Monitoring Well Installations. The wells installed by URS would be temporary and would not interfere with on-going park structures or activities. Copies of groundwater monitoring results will be provided to the City upon completion of laboratory analysis, as part of a regularly scheduled quarterly report submitted by CIRCLE K to the Regional Water Quality Control Board.

FISCAL IMPACT

CIRCLE K will pay an access fee of $4,000.00 per year, to the City of Compton, for each year that access to any portion of Tragniew Park is required.

RECOMMENDATION

Staff recommends that Council adopt the attached Resolution authorizing the City Manager to enter into a temporary access agreement with CIRCLE K STORES, Inc. for well installation and monitoring at Tragniew Park, pursuant to requirements of the California Regional Water Quality Control Board.

CRAIG J. CORNWELL
CITY ATTORNEY

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#3.

RESOLUTION NO. _____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH CIRCLE K STORES INC. FOR A TEMPORARY ACCESS AGREEMENT AT TRAGNIEW PARK

WHEREAS, Circle K Stores, Inc. owns property at 2001 W. Alondra Boulevard in Compton, that requires remediation; and

WHEREAS, Circle K has hired URS to perform groundwater monitoring and testing, which includes the north/northwesterly portion of Tragniew Park, as required by the Regional Water Quality Control Board; and

WHEREAS, the wells installed by URS, on behalf of Circle K, would be temporary and would not interfere with on-going park structures or activities; and

WHEREAS, the City will receive quarterly reports on the groundwater sampling, upon completion of analysis by Circle K; and

WHEREAS, CIRCLE K will pay an access fee of $4,000.00 per year, to the City of Compton, for each year that access to any portion of Tragniew Park is required; and

WHEREAS, Staff recommends Council adopt the attached Resolution authorizing the City Manager to enter into a temporary access agreement with CIRCLE K STORES, INC. for well installation and monitoring at Tragniew Park.

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

SECTION 1. That the City Manager is hereby authorized to enter into a temporary access agreement with Circle K Stores, Inc. for well installation and monitoring at Tragniew Park.

SECTION 2. That these services will be paid by Circle K Stores and that the access fee of $4,000.00 per year will be deposited into the General Fund Account 1001-000-000-3712 for the Fiscal Years 2013-2014 and projected 2014-2015.

SECTION 3. That a certified copy of this resolution will be filed in the offices of the City Manager, City Attorney, City Controller and the City Clerk.

SECTION 4. That the Mayor shall sign and the City Clerk shall attest to this resolution.

ADOPTED this __________day of ___________ 2013

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

#3.

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _______day of _______, 2013.

That said resolution was adopted by the following vote:

AYES: COUNCIL MEMBERS–
NOES: COUNCIL MEMBERS–
ABSENT: COUNCIL MEMBERS–
ABSTAINS: COUNCIL MEMBERS–

____
CITY CLERK OF THE CITY OF COMPTON

#3.

TEMPORARY ACCESS AGREEMENT FOR TRAGNIEW PARK

This Temporary Access Agreement ("Agreement") is entered into as of June___, 2013, by and between the CITY OF COMPTON, a municipal corporation, hereinafter designated as the "COMPTON," and CIRCLE K STORES INC., a Texas corporation hereinafter designated as CIRCLE K. Collectively, COMPTON and CIRCLE K shall be termed "Parties."

RECITALS

The foregoing recitals are made by the Parties and incorporated by reference into the terms of this Agreement.

A. On June __, 2013, the COMPTON city council approved a Site Access License Agreement ("Agreement") with CIRCLE K for access to Tragniew Park for certain environmental work described in Paragraph 1 hereof;

B. Results from groundwater testing prompted the California Regional Water Quality Control to require that CIRCLE K conduct additional monitoring and groundwater testing at Tragniew Park;

C. URS, a consultant employed by CIRCLE K to undertake additional testing, is requesting access to Tragniew Park to perform groundwater investigations as required by the Los Angeles Regional Water Quality Control, which is supervising an environmental investigation and cleanup of property now owned by CIRCLE K and commonly known as 2001 W. Alondra Boulevard, Compton, California, also referenced as the former Mobil Station No. 18JR1. URS has provided to COMPTON a copy of the First Semester 2013 Groundwater Monitoring Report" dated April 4, 2013 ("Report"). The Report indicates that among further activities CIRCLE K intends to conduct (through URS) is to obtain site access in the north/northwesterly direction, i.e., in the Tragniew Park area. URA has also provided to COMPTON a copy of the Workplan for Offsite Monitoring Well Installations dated May 18, 2012 ("Workplan"), which includes as Figure 2 thereto a map showing the general locations for two additional monitoring wells, MW-11 and MW-12 to be located in Tragniew Park. The latter work plan has not yet been formally approved by the Los Angeles Regional Water Quality Control Board, but the parties intend that if the Regional Board requires any changes in the plan that affect Tragniew Park and the need for access to the Park, then this

#3.

Amendment to the original August 2012 Access Agreement will control any such modified access requirements.

Terms and Conditions

NOW THEREFORE, it is mutually agreed by and between the undersigned Parties as follows:

Section 1: TEMPORARY AND LIMITED RIGHTS GRANTED:

COMPTON grants to CIRCLE K, its consultant URS, and any subcontractors thereto, a temporary license for access to Tragniew Park to perform all work related to the installation and monitoring of two groundwater monitoring wells in the approximate location described in Figure 2 to the Workplan ("WORK"). COMPTON reserves the right to modify the exact locations, when presented to it by CIRCLE K, in order to avoid interference with on-going park structures and activities in Tragniew Park. COMPTON agrees to cooperate with CIRCLE K in coordination of any permits or other documents related to the WORK, but in no event shall such cooperation result in additional costs to the City for outside environmental consultants, legal advice, or similar fees. If CIRCLE K requests that COMPTON undertake efforts that would require additional costs, then it shall deposit a sum equal to the good faith estimate of such costs with COMPTON before any such efforts are required pursuant to this Agreement. In no event shall this temporary license for access be deemed a permanent easement, right-of-way, grant of title, or long-term interest to any portion of Tragniew Park.

Section 2: PERFORMANCE OF THE WORK

CIRCLE K agrees, at its sole cost and expense to: (a) obtain all necessary permits for the WORK, including but not limited to a permit for the installation of groundwater monitoring wells; (b) provide a copy of the well boring logs (and any electrical logs or conductivity logs to COMPTON within 30 days of the completion of said logs; and (c) ensure that it or URS and its subcontractors perform the WORK in a safe, efficient and workmanlike manner and in compliance with all applicable state laws and local regulations, ordinances, and as directed by any correspondence from the Los Angeles Regional Water Quality Control Board.

Section 3: TERM

This Access shall be effective 10 business days after the date of the last signature of the on the Agreement and shall continue in effect for the period of two calendar years from the effective date.

Section 4: RESTORATION

If CIRCLE K or its contractor URS (or any subcontractor thereof) causes any physical damage to the Property (ordinary wear and tear excepted) CIRCLE K shall promptly repair and restore the portions of the Property damaged to substantially the same condition as existed before entry.

Section 5: CLOSURE OF GROUNDWATER MONITORING WELLS

Upon completion of the WORK, CIRCLE K and its contractors will promptly (within 30 days of receipt of an authorizing letter from the Regional Water Quality Control Board or other supervising entity) submit a separate workplan to close the groundwater monitoring wells. CIRCLE K will provide COMPTON with a copy of the workplan at the same day as submittal to the Regional Water Quality Control Board. Once the workplan is approved, then CIRCLE K will promptly close the groundwater monitoring wells pursuant to the workplan and any additional regulation governing the closure of wells within Los Angeles County. CIRCLE K will provide COMPTON with a letter detailing the fact of closure and containing a final report on the actual closure of the wells.

Section 6: COPIES OF GROUNDWATER MONITORING RESULTS

That immediately upon completion of laboratory analysis URS will provide in tabular form to COMPTON all results, with any QA/QC qualifiers and appropriate laboratory documentation for each monitoring well. Such results may be provided to the City as part of a regularly scheduled quarterly (or other interval) report submitted by CIRCLE K to the Regional Water Quality Control Board.

Section 7: INDEMNITY

CIRCLE K agrees to indemnify, defend and hold COMPTON, its agents, successors, and assigns harmless from and against any claims, causes of action, or lawsuits brought by a third party relating to the WORK, including but not limited to, any acts or omissions of CIRCLE K, its agents and consultants, and any agents or subcontractors of such consultants on the Property. COMPTON shall provide notice (pursuant to Section 11 herein) within 30 days of receipt of any claim, causes of actions, or lawsuits. Thereafter, CIRCLE K will be obligated to undertake a defense of COMPTON as to such claim, cause of action, or lawsuit.

Section 8: INSURANCE

#3.

URS will provide to the City a current certification of liability coverage showing limits of at least $1 million per occurrence for its automobile liability and commercial general liability. CIRCLE K or URS will further provide to the City a pollution liability policy with limits of at least $1 million per occurrence prior to the commencement of any WORK in Tragniew Park.

Section 9 NOTICE OF COMMENCEMENT OF WORK

CIRCLE K will notify COMPTON at least two business days before the commencement of entry upon Tragniew Park pursuant to the notice provisions set for in Section11 of the Agreement.

Section 10 ACCESS FEE

CIRCLE K will pay to COMPTON an access fee of $4,000.00 per annum for each year that access to any portion of Tragniew Park is required. The first such annual fee shall be paid prior to the commencement of work as described in Exhibit A hereto, with subsequent annual payments to be made on the anniversary date of the due date of the first annual payment.

Section 11: NOTICES

Any notices required to be made under this Agreement shall be made in writing to the address of the appropriate party set forth below. All such notices shall be deemed to have been duly received upon mailing, delivery by courier or other expedited delivery service, or by e-mail, provided that e-mail delivery shall be effective when the sender has received an electronic confirmation of delivery. The Parties may alter or modify their notice address by delivery of written notice pursuant to this Agreement.

To COMPTON:

G. HAROLD DUFFEY
CITY MANAGER
CITY OF COMPTON
205 So. Willowbrook Avenue
Compton, Ca. 90220
Ph: (310) 605-5500
E-mail: gduffey@comptoncity.org

To CIRCLE K:

CIRCLE K STORES, INC.
255 E. Rincon, Suite 100
Corona, CA 92879
Attention: Greg Grover
Ph: (951) 270-5108
E-mail: jlindquist@circlek.com

Section 12: APPLICABLE LAW

This Agreement shall be interpreted, and any dispute arising hereunder shall be resolved in accordance with the substantive laws of the State of California, without reference to choice of law rules.

Section 13: ALTERNATIVE DISPUTE RESOLUTION (ADR)

If a dispute arises between the parties relating to this Agreement, the parties agree to use the following procedure prior to pursuing other legal remedies:

(a) A meeting among the parties shall promptly be held in California, attended by individuals with decision-making authority regarding the dispute, who will attempt in good faith to negotiate a resolution of the dispute.

(b) If within fifteen (15) days after the meeting, the parties have not succeeded in negotiating a resolution of the dispute, they agree to submit the dispute to mediation using a mediator who is mutually acceptable, and to bear equally the costs of the mediation.

(c) The parties agree to participate in good faith in the mediation process related to their dispute for a period of thirty (30) days from the commencement of mediation. If the parties are not successful in resolving the dispute through mediation, then:

(1) if both parties agree, they may submit the matter to a binding arbitration or a private adjudicator which has been mutually agreed upon; or

(2) either party may initiate litigation upon ten (10) days advance written notice to the other party.

Section 14: COUNTERPARTS

This Agreement may be executed in counterparts, all of which together shall constitute one and the same agreement.

Section 15: INTEGRATION

This document represents the entire agreement between the parties. The parties acknowledge that this Agreement supersedes and replaces any and all prior agreements between the parties regarding the subject matter herein. No modification of the terms shall be effective unless in writing and duly executed by the authorized representatives of the respective parties.

#3.

Section 16: NO ADMISSION OF LIABILITY

The parties acknowledge and agree that neither this Agreement, the act of entering into it, nor any act or omission pursuant hereto shall be construed as an admission of any nature.

Section 17: COMPLIANCE WITH LAWS

Throughout the term of this Agreement, Circle K and Owner shall at all times comply fully with all applicable laws, ordinances, rules, and regulations of any governmental agency having jurisdiction over the Property.

Section 18: BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns. Owner shall promptly notify Circle K within five (5) says of any transfer of its interest in the Property and shall provide a copy of this Agreement to any and all transferees.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates stated below:

CITY OF COMPTON	**CIRCLE K STORES, INC.**
BY: ________________ G. Harold Duffey City Manager	BY: ____________________________ Print Name and Title: _______________
DATED: ____________	DATED: ______________

Approved as to form:

BY: ____________________________
Craig J. Cornwell
City Attorney

ATTEST:

BY: ____________________________
Alita Godwin
City Clerk

#4.

June 18, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: ROBERT DELGADILLO, INTERIM RECTOR
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

SUBJECT: A REQUEST TO SCHEDULE A PUBLIC HEARING FOR THE CITY OF COMPTON HOUSING ELEMENT 2006 – 2014 GPA 2012-2 AND MITIGATED NEGATIVE DECLARATION 932 (TUESDAY, JULY 2, 2013 AT 6:00 P.M.)

SUMMARY

On June 19, 2013, the Compton Planning Commission recommended approval of the Housing Element 2006 – 2014 GPA No. 2012-2 and Mitigated Negative Declaration 932. State law requires the City Council to hold a public hearing for the Housing Element and Mitigated Negative Declaration 932 prior to adoption.

Staff requests that a public hearing be set for General Plan Amendment 2012-2 and Mitigated Negative Declaration on Tuesday, July 2, 2013 at 6:00 p.m.

ROBERT DELGADILLO,
INTERIM DIRECTOR
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#5.

June 18, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **ROBERT DELGADILLO, INTERIM RECTOR**
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

SUBJECT: **A REQUEST TO SCHEDULE A PUBLIC HEARING FOR THE APPEAL OF THE PLANNING COMMISSION'S DECISION TO DENY CONDITIONAL USE PERMIT CASE NO. 2720 FOR THE 7 ELEVEN CONVENIENCE STORE (TUESDAY, JULY 9, 2013, at 6:00 P.M.)**

SUMMARY

On May 8, 2013, the Compton Planning Commission denied Conditional Use Permit Case No. 2720 for alcohol sales for 7 Eleven. . The Clerk's office received an Appeal of the cases from Mr. Manjit Bawa known as the Appellant. Mr. Bawa owns and operate the 7 Eleven convenience store located at 1562 S. Long Beach Blvd. in Compton.

In accordance with Section 30-26.5 of the *Compton Zoning Ordinance* for any appeal of a Conditional Use Permit from the Planning Commission, the Council shall set the matter for a hearing and give notice thereof to the Appellant and to the Applicant.

Staff requests that a public hearing be set for Conditional Use Permit Case No. 2720 on Tuesday, July 9, 2013 at 6:00 p.m. Upon approval, the Appellant and the Applicant will be notified of the public hearing date.

ROBERT DELGADILLO,
INTERIM DIRECTOR
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

June 18, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

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

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER'S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON'S LIGHTING AND LANDSCAPE ASSESSMENTS DISTRICT NO. 1 CHARGES FOR FISCAL YEAR 2013/2014**

SUMMARY

This resolution will approve the Engineer's Report for the Lighting and Landscape Assessment District No. 1 Charges for Fiscal Year 2013/2014.

BACKGROUND

At the City Council meeting held on May 21, 2013, the City Council adopted resolutions Initiating Proceedings, Preliminarily Accepting the Engineer's report Declaring its Intention to Levy and Collect Assessments and Charges, and appoint a time and place for hearing protests for the Lighting and Landscape District Charge for fiscal year 2013/2014.

The time for the hearing of protests is set for June 11, 2013 at 5:55 P.M. to be held in the City Council Chambers, 205 South Willowbrook Avenue, Compton, California.

STATEMENT OF THE ISSUE

These funds are required to operate the street lighting and landscaping in the City of Compton for fiscal year 2013/2014.

RECOMMENDATION

Staff recommends approval of the attached resolution.

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

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

GHD/GK/daj

#10.

RESOLUTION NO.____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER'S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON'S LIGHTING AND LANDSCAPE ASSESSMENTS DISTRICT NO. 1 CHARGES FOR FISCAL YEAR 2013/2014

WHEREAS, the City Council pursuant to provisions of the *Landscaping and Lighting Act of 1972 (commencing with Section 22500) Part 2, Division 15 of the California Streets and Highways Code* (hereinafter referred to as the "Act") and provisions of the City of Compton Municipal Code (hereinafter referred to as the "Municipal Code") did by previous Resolution, order the preparation of the fiscal year 2013/2014 Engineer's Report for the Lighting and Landscape District No. 1 Charge (hereinafter referred to collectively as the "Districts"), and

WHEREAS, the City Council pursuant to applicable provisions of the Act or Municipal Code proposes to levy and collect assessments and charges against lots and parcels of land within the Districts for the fiscal year 2013/2014, to pay the maintenance, servicing and operation of the improvements related thereto, and

WHEREAS, Willdan Financial Services (The designated Engineer) in accordance with *Section 22623* of the Act and provisions of the Municipal Code, has prepared and filed with the City Clerk an Engineer's Report for fiscal year 2013/2014 and said report has been presented to the City Council and is incorporated herein by reference, and

WHEREAS, this City Council has examined and reviewed the Engineer's Report as presented, and is preliminarily satisfied with the description of the Districts, the improvements identified therein, each of the budget items and documents as set forth, and is satisfied that the proposed assessments and charges have been spread proportionately in accordance with the special benefit each property receives from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report or as modified by Council action and incorporated herein.

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

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented is hereby approved pursuant to *Section 22623* of the Act and provisions of the Municipal Code, and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3. Copies of this resolution shall be filed in the offices of the City Manager, City Controller and Public Works Departments.

#10.

SECTION 4. The Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this ____ day of ____________________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council of the City of Compton, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the ____ day of ________________, 2013.

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

#10.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER'S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON'S LIGHTING AND LANDSCAPE ASSESSMENTS DISTRICT NO. 1 CHARGES FOR FISCAL YEAR 2013/2014**

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

REVIEW / APPROVAL

<LegalName>	**<LegalDate>**
CITY ATTORNEY	DATE
<ControllerName>	**<ControllerDate>**
CITY CONTROLLER	DATE
<CityManager>	**<CityManagerDate>**
CITY MANAGER	DATE

Use when:

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

June 18, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

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

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER'S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON'S SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014

SUMMARY

This resolution will approve the Engineer's Report for the Sewer Service Charge for fiscal year 2013/2014.

BACKGROUND

At the City Council meeting held on May 21, 2013, the City Council adopted resolutions Initiating Proceedings, Preliminarily Accepting the Engineer's Report, Declaring its Intention to Levy and Collect Assessments and Charges, and appoint a time and place for hearing protests for the Sewer Service Charge for fiscal year 2013/2014.

The time for the hearing of protests is set for June 11 at 6:00 P.M. to be held in the City Council Chambers, 205 South Willowbrook Avenue, Compton, California.

STATEMENT OF THE ISSUE

These funds are required to operate the sewer collection system in the City of Compton for fiscal year 2013/2014.

RECOMMENDATION

Staff recommends approval of the attached resolution.

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

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

GHD/GK/daj

#11.

RESOLUTION NO.____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER'S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON'S SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014

WHEREAS, the City Council pursuant to provisions of the California Constitution and provisions of the City of Compton Municipal Code (hereinafter referred to as the "Municipal Code") did by previous Resolution, order the preparation of the fiscal year 2013/2014 Engineer's Report for the Sewer Service Charge (hereinafter referred to collectively as the "Districts"), and

WHEREAS, the City Council pursuant to applicable provisions of the Act or Municipal Code proposes to levy and collect assessments and charges against lots and parcels of land within the Districts for the fiscal year 2013/2014, to pay the maintenance, servicing and operation of the improvements related thereto, and

WHEREAS, Willdan Financial Services (The designated Engineer) in accordance with *Section 22623* of the Act and provisions of the Municipal Code, has prepared and filed with the City Clerk an Engineer's Report for fiscal year 2013/2014, and said report has been presented to the City Council and is incorporated herein by reference, and

WHEREAS, this City Council has examined and reviewed the Engineer's Report as presented, and is preliminarily satisfied with the description of the Districts, the improvements identified therein, each of the budget items and documents as set forth, and is satisfied that the proposed assessments and charges have been spread proportionately in accordance with the special benefit each property receives from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report or as modified by Council action and incorporated herein.

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

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented is hereby approved pursuant to *Section 22623* of the Act and provisions of the Municipal Code, and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3. Copies of this resolution shall be filed in the offices of the City Manager, City Controller and Public Works Departments.

#11.

SECTION 4. The Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this ______ day of ________________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ______ day of ______________, 2013.

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

#11.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE ENGINEER'S REPORT OF WILLDAN FINANCIAL SERVICES FOR THE CITY OF COMPTON'S SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014**

Glen Kau	**6/6/2013 6:32:05 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

<LegalName>	**<LegalDate>**
CITY ATTORNEY	DATE
<ControllerName>	**<ControllerDate>**
CITY CONTROLLER	DATE
<CityManager>	**<CityManagerDate>**
CITY MANAGER	DATE

Use when:

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

June 18, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: GLEN W.C. KAU, P.E., INTERIM DIRECTOR
PUBLIC WORKS DEPARTMENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE LIGHTING AND LANDSCAPE DISTRICT NO. 1 FISCAL YEAR 2013/2014

SUMMARY

This resolution will approve the Ordering of the Levy and Collection of Assessments Charges on the Lighting and Landscape District No.1 for Fiscal Year 2013/2014.

BACKGROUND

At the City Council meetings held on May 21, 2013, the City Council adopted resolutions Initiating Proceedings, Preliminarily Accepting the Engineering Report, Declaring its Intention to Levy and Collect Assessments and Charges, and appoint a time and place for hearing protests for the Lighting and Landscape District No. 1 for fiscal year 2013/2014.

The time for the hearing of protests was set for June 11, 2013, at 5:55 P.M. to be held in the City Council Chambers, 205 South Willowbrook Avenue, Compton, California.

STATEMENT OF THE ISSUE

These funds are required to operate the street lighting and landscaping in the City of Compton for fiscal year 2013/2014.

RECOMMENDATION

Staff recommends approval of the attached resolution.

GLEN W. C. KAU, P.E., INTERIM DIRECTOR
PUBLIC WORKS DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY'
CITY MANAGER

GHD/GK/daj

#12.

RESOLUTION NO._____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE LIGHTING AND LANDSCAPE DISTRICT NO. 1 FOR FISCAL YEAR 2013/2014

WHEREAS, the City Council of the City of Compton has by previous resolution initiated proceedings and declared its intention to levy and collect assessments against lots and parcels of land within the Landscape and Lighting District No.1 (hereinafter referred to as the "District") for fiscal year 2013/2014, pursuant to the provisions of the Landscaping and Lighting Act of 1972. Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereinafter referred to as the "Act"); and

WHEREAS, the designated Assessment Engineer, Willdan Financial Services has prepared and filed with the City Clerk of the City of Compton and the City Clerk has presented to the City Council the Engineer's Report (hereinafter referred to as the "Report") in connection with the proposed levy and collection of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution approve such Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2013 and ending June 30, 2014, to pay the costs and expenses of operating, maintaining and servicing landscaping, lighting and appurtenant facilities located within the District; and

WHEREAS, on June 11, 2013, the City Council held a public hearing to receive citizen input and comments on the proposed report and findings.

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

SECTION 1. The above recitals are true and correct.

SECTION 2. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving or amending the Report prepared in connection herewith; the levy and collection of assessments, and considered all oral and written statements, protests and communications made or filed by interested persons.

SECTION 3. Based upon its review (and amendments, as applicable) of the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

a) The land within the District will receive special benefit by the operation, maintenance and servicing of landscaping, lighting and appurtenant facilities within the boundaries of the District.

b) The District includes all of the land receiving such benefit.

c) The net amount to be assessed upon the lands within the District has been apportioned by a formula and method, which fairly distributes the net amount among the eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July1, 2013 and ending June 30, 2014.

#12.

d) The proposed special benefit assessment calculated and apportioned for fiscal year 2013/2014 are consistent with the previously adopted Rate and Method and constitute a continuation of existing assessments. That the assessments are imposed exclusively to finance the maintenance, operation and servicing expenses for streets.

SECTION 4. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the improvements including streetlights, traffic signals, landscaping including turf, ground cover, shrubs and trees, irrigation systems, drainage systems, and all appurtenant facilities related thereto or that may be authorized pursuant to the provisions of the Act.

SECTION 5. The County Auditor of Los Angeles County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City Treasurer and placed in a fund for the District.

SECTION 6. The City Treasurer shall deposit all money representing assessments collected by the County for the District to the credit of a fund for the City of Compton Lighting and Landscape District No.1, and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in the Report.

SECTION 7. The adoption of this Resolution constitutes the District annual levy for the fiscal year commencing July 1, 2013 and ending June 30, 2014.

SECTION 8. The Assessment Engineer selected by the City Council is hereby authorized and directed to file a copy of this Resolution and the assessments with the County Auditor of the County of Los Angeles no later than August 8, 2013.

SECTION 9. Copies of this resolution shall be filed in the offices of the City Manager, City Controller, and Public Works Engineering Departments.

SECTION 10. The Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this ____ day of __________________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council of the City of Compton, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the ____ day of ______________________, 2013.

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

#12.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE LIGHTING AND LANDSCAPE DISTRICT NO. 1 FISCAL YEAR 2013/2014**

Glen Kau
DEPARTMENT MANAGER'S SIGNATURE

6/6/2013 6:29:06 PM
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

#13.

June 18, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS OF SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014

SUMMARY

This resolution will approve Ordering the Levy and Collection of Assessments of Sewer Service Charge for fiscal year 2013/2014.

BACKGROUND

At the City Council meeting held on May 21, 2013, the City Council adopted resolutions Initiating Proceedings, Preliminarily Accepting the Engineer's Report, Declaring its Intention to Levy and Collect Assessments and Charges, and appoint a time and place for hearing protests for the Sewer Service Charge for fiscal year 2013/2014.

The time for the hearing of protests is set for June 11, 2012 at 6:00 P.M. to be held in the City Council Chambers, 205 South Willowbrook Avenue, Compton, California.

STATEMENT OF THE ISSUE

These funds are required to operate the sewer collection system in the City of Compton for fiscal year 2013/2014. The action of this meeting is to hold the noticed public hearing. The City Council receives public comment and makes any revisions deemed essential.

RECOMMENDATION

Staff recommends approval of the attached resolution.

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

APPROVED FOR FORWARDING:

G HAROLD DUFFEY
CITY MANAGER

GHD/GK/daj

#13.

RESOLUTION NO.____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS OF SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014

WHEREAS, the City Council of the City of Compton has by previous resolution initiated proceedings and declared its intention to levy and collect sewer service charges against lots and parcels of land within the City of Compton (hereinafter referred to as the "City") for fiscal year 2013/2014; and

WHEREAS, the designated Assessment Engineer, Willdan Financial Services has prepared and filed with the City Clerk of the City of Compton and the City Clerk has presented to the City Council the Engineer's Report (hereinafter referred to as the "Report") in connection with the proposed levy and collection of sewer service charges upon eligible parcels of land within the City, and the City Council did by previous Resolution approve such Report; and

WHEREAS, the City Council desires to levy and collect service charges against parcels of land within the City for the fiscal year commencing July 1, 2013 and ending June 30, 2014, to pay the costs and expenses of operating, maintaining and servicing sewer facilities located within the City; and

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

SECTION 1. The above recitals are true and correct.

SECTION 2. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving or amending the Report prepared in connection herewith; the levy and collection of service charges, and considered all oral and written statements, protests and communications made or filed by interested persons.

SECTION 3. Based upon its review (and amendments, as applicable) of the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

a) The land within the City will be benefited by the operation, maintenance and servicing of the sewer facilities within the boundaries of the City.

b) The City includes all of the land receiving such benefit.

c) The net amount to be charged upon the lands has been apportioned by a formula and method, which fairly distributes the net amount among chargeable parcels in proportion to the estimated benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2013 and ending June 30, 2014.

d) The proposed charges for fiscal year 2013/2014 constitute a continuation of existing charges. That the charges are imposed exclusively to finance the maintenance, operation and servicing expenses for sewer facilities.

#13.

SECTION 4. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the sanitary sewer system and repayment of a portion of the annual payment on the sewer bonds previously issued for the reconstruction of the sewer system and all appurtenant facilities related thereto.

SECTION 5. The County Auditor of Los Angeles County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City Treasurer and placed in a special fund.

SECTION 6. The City Treasurer shall deposit all money representing charges collected by the County to the credit of a fund for the City of Compton Sewer Service Charge, and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in the Report.

SECTION 7. The adoption of this Resolution constitutes the annual levy of the sewer service charge for the fiscal year commencing July 1, 2013 and ending June 30, 2014.

SECTION 8. The Assessment Engineer selected by the City Council is hereby authorized and directed to file a copy of the Resolutions and charges with the County Auditor of the County of Los Angeles no later than August 10, 2012.

SECTION 9. Copies of this resolution shall be filed in the offices of the City Manager, City Controller, and Public Works Departments.

SECTION 10. The Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this __________ day of ___________________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council of the City of Compton, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the ______ day of _________________, 2013.

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

#13.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS OF SEWER SERVICE CHARGE FOR FISCAL YEAR 2013/2014**

Glen Kau
DEPARTMENT MANAGER'S SIGNATURE

6/6/2013 6:29:56 PM
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

Use when:

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

June 18, 2013

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A PURCHASE ORDER WITH THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES**

SUMMARY
This resolution authorizes a purchase order with the City of Downey for emergency dispatching services as per the current contract.

BACKGROUND
The cities of Compton, Downey, Santa Fe Springs and Vernon fire departments currently utilize fire communications services from the Joint Powers Communications Center (JPCC), located at Downey Fire Headquarters. By sharing the JPCC with neighboring fire departments, it has allowed effective emergency radio and dispatching services at reduced costs.

SITUATION
On June 8, 2011 Resolution #23,332 was adopted by Council approving an agreement to continue as a member of the JPCC. This request is to pay for the cost of service for Fiscal Year 2012/13 at an amount of $586,214.88. This is a reduction of approximately $23,897.22 from the previous year cost.

FISCAL IMPACT
There is no further impact to the 2012/13 fiscal year budget. Sufficient funds have been budgeted in Account No. 1001 690 000 4269 of the Fire Department's budget.

RECOMMENDATION
That the City Council approves the attached Resolution.

JON THOMPSON, CHIEF
COMPTON FIRE DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#14.

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A PURCHASE ORDER WITH THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES

WHEREAS, the City of Compton is a member of the Joint Powers of Authority (JPA) for the Joint Powers Communications Center (JPCC) with three other cities for Fire and Emergency Medical dispatching; and

WHEREAS, the aforesaid dispatching services are provided by the Downey Communications Center; and

WHEREAS, each member of the JPA share in the cost of providing this service; and

WHEREAS, Resolution No. 23,332, adopted by City Council on June 8, 2011, approved an agreement which authorizes this payment for said services; and

WHEREAS, funds for this payment have been allocated in the Fire Department's 2012/13 Fiscal Year budget.

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

Section 1. That the City Manager is authorized to issue a purchase order to the City of Downey in an amount not to exceed $586,214.88, the City of Compton's share of the costs for provision of Fire and Emergency Medical Dispatching Services for Fiscal Year 2012-2013.

Section 2. The funds for said services are appropriated in Account No. 1001 690 000 4269 of the Fire Department's budget for Fiscal Year 2012/13.

Section 3. That a certified copy of this Resolution shall remain on file in the offices of the City Manager, City Clerk, City Controller and the Fire Department.

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

ADOPTED this ____ day of ______________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

#14.

RESOLUTION NO. _________
PAGE TWO

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

I, Alita Godwin, City Clerk of the City of Compton, do hereby certify that the forgoing 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 ____ day of _______________, 2013.

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

AYES: Council Members-
NOES: Council Members-
ABSTAINS: Council Members-
ABSENT: Council Members-

____
CITY CLERK OF THE CITY OF COMPTON

#14.

DISPATCH SERVICES JOINT POWERS AGREEMENT

This Dispatch Services Joint Powers Agreement ("Agreement") is hereby made and entered into this 12th day of April, 2011, by and between the CITY OF DOWNEY, a California municipal corporation ("Downey"), CITY OF COMPTON, a California municipal corporation ("Compton"), CITY OF SANTA FE SPRINGS, a California municipal corporation ("Santa Fe Springs"), CITY OF VERNON, a California municipal corporation ("Vernon") (collectively, the "Parties" and each of whom is a party ("Party") to this Agreement).

WITNESSETH:

WHEREAS, Government Code Sections 53100 et seq. require California cities to implement local emergency telephone systems through which citizens can request and receive emergency aid; and

WHEREAS, Government Code Section 53109 provides that such a system may include the territory of more than one public agency; and

WHEREAS, In 1978 Downey implemented a Joint Powers Communication Center to provide services to other similar-sized fire departments; and

WHEREAS, Downey has developed an efficient fire dispatch and alarm system ("the System") with the capacity to meet the requirements of Government Code Sections 53100 et seq. for the Parties; and

WHEREAS, it is more economical and efficient for Downey to dispatch emergency fire equipment for the Parties; and

WHEREAS, Government Code Sections 6500, et seq. provide that one or more public agencies may contract for the joint exercise of any power common to the contracting parties; and

WHEREAS, Downey has provided emergency fire equipment dispatch services to various cities. Pursuant to that certain agreement entitled "Agreement", dated October, 2009, ("the 2009 Agreement") and the Parties desire to continue using the services of Downey for dispatching emergency fire equipment and to contribute to the development, operation, use and maintenance of the System in order to reduce capital and operational costs.

NOW, THEREFORE, in consideration of their mutual covenants and conditions, receipt of which is hereby acknowledged, the Parties agree as follows:

Purpose. The 2009 Agreement is hereby terminated. The purpose of this adopted Agreement is to improve coordination at an emergency scene of fire apparatus used by the Parties and to consolidate fire reporting and dispatching into one facility along with a centralization of a dispatching system for fire and other emergencies, thereby meeting the requirements imposed on the Parties by Government Code Sections

#14.

53100 et seq. Said purpose shall be accomplished by Downey's exercise of the powers specified in Government Code Sections 53100 et seq. (*i.e.*, the provision of emergency dispatch services as further delineated herein) on behalf of the Parties. Pursuant to Government Code Sections 6500 et seq., Downey shall provide fire reporting and dispatching services to the Parties through the System and communication facility located in and operated by Downey (the "Joint Powers Communications Center" or "JPCC"), all under direct control and supervision of Downey.

Cost of the System. The cost of maintaining and operating the System and JPCC will be paid by the Parties in accordance with the following formula:

2.1. Total operating costs (called "Total Costs") shall be apportioned to each Party according to the following four factors:

2.1.1 Costs for supplies and services, other than direct charges, shall be divided equally among the Parties. Supplies and services shall not include City of Downey building rental charges.

2.1.2 Costs for personnel shall be divided among the Parties in proportion to the Recorded Incidents of each Member City.

2.1.3 Equipment costs (non-operating costs) will be charged to each Party on an equal basis. For example, if there are four Parties, each Party will be charged for 25% of the cost of equipment.

2.1.4 The cost for direct telephone line charges will be charged to each Party based on their individual telephone line charge.

2.2 See Appendix for an example of how the calculations are made in accordance with Sections 2.1.

3. Commencement and Termination. This Agreement shall commence April 12, 2011, and shall continue in effect until terminated by unanimous consent of all Parties to the Agreement that have not withdrawn as provided in Section 8, provided, however, that this Agreement shall terminate upon withdrawal of Downey. Upon termination, (1) surplus money contributed pursuant to this Agreement shall be returned to the Parties in proportion to the contributions made, and (2) Downey shall retain any property acquired for use in the JPCC during the term of this Agreement and, if such property is sold, shall pay to each Party then participating in the Agreement that Party's proportional share of the depreciated value of such property and shall not include any value in the real property owned by Downey.

4. A proposed budget for the fiscal year will be forwarded to all Parties by March 1st prior to said fiscal year.

5. Downey shall provide an accounting of funds and shall provide an annual report of all receipts and disbursements made pursuant to this Agreement. Downey shall calculate each Party's shared cost as of December 31st for each fiscal year based on the adopted budget for the JPCC and the most current annual data available for the number of incidents. These calculations will be prepared by Downey and shared with each Party as of January 15th of each year. Downey will invoice each Party for their share of the JPCC cost. Each Party will pay Downey within 30 days of receipt of invoice. In the event any Party signs the agreement and commences participation in the use of the facility at a time other. than as of July 1st of any year, percentages shall be adjusted on a pro rata basis depending upon the portion of the year remaining at the time any such new Party commences participation.

6. For each fiscal year, Downey will calculate the difference between each Party's payment and the actual cost for each Party based on actual fiscal year end expenditures. These calculations of actual costs will use the same apportionment formula when each Party's shared costs was originally calculated and billed. If there is a surplus, then each Party's surplus amount will be identified and held in a special reserve. The maximum held in any individual Parties reserve account will be $50,000. Any surplus in excess of the $50,000 maximum will be returned or deducted from the following year's payment. This reserve shall be used as determined by the majority of Parties then participating in this Agreement. If there is a deficit, each Party will be immediately invoiced for their respective amount due. Any available surplus held from previous fiscal years, once the $50,000 is reached, may be used to pay the deficit amount as directed by the Party in writing to the Downey Fire Chief.

7. Determination of the Total Costs of the JPCC, including equipment, shall be limited to the following items:

   (a) Telephone Service Fees at the JPCC

      (1) Two (2) fire-reporting trunk lines from each Party.

      (2) One (1) station telephone plus line charges of each fire station which is part of the system.

      (3) Rental of emergency telephone reporting system and equipment directly related to its function.

   (b) Vocal Alarm System:

      One (1) vocal-alarm speaker plus line charges to each fire station.

   (c) Personnel:

#14.

Two (2) qualified fire dispatchers continuously on duty at the communications center plus one (1) Supervisor (40 hour week) and (1) Network Administrator (40 hour week).

(d) Other components or equipment agreed to be installed by the Parties.

8. Any Party may withdraw from this Agreement at any time upon One Hundred and Twenty (120) days written notice to all of the other Parties, provided, however, that withdrawal by Downey shall require 365 days written notice. In the event that a Party other than Downey withdraws pursuant to this Section, the percentage cost share of each remaining Party shall be readjusted upon the effective date of withdrawal so that the amount to be paid by each remaining Party shall be pro-rated and shall equal the percentage that each remaining Party bears of the accumulated total as calculated in the manner set out in Section 2 of this Agreement.

9. Each Party shall install the following minimum communication equipment for each fire station:

(a) Direct telephone line with handset terminating at the communication center in Downey.

(b) Vocal or paging line and speaker terminating at the communication center in Downey.

(c) Two (2) emergency reporting trunk lines terminating at the communication center in Downey.

10. Parties may install special or extra telephone equipment or electronic equipment in addition to the standard equipment required by this Agreement, provided that the installing Party shall pay, as its sole cost, for all such special or extra equipment.

11. All installation, maintenance and repair orders for any communication equipment used in the performance of the obligations imposed by this Agreement shall be directed through Downey.

12. The staff members in charge of implementing this Agreement shall be the City Manager or City Administrator of each Party and the Fire Chief of each Party. Operational procedure shall be agreed upon by a majority of the Fire Chiefs of the Parties and the Fire Chiefs of the Parties shall meet not less than quarterly to consider revisions to operational procedure or other matters regarding the JPCC. Each Party shall be responsible for the proper disposition of its business telephone calls. In the event that it is necessary in an emergency to change operational procedure, or in the event operational procedure cannot be agreed upon by a majority, then the procedure shall be determined by the Fire Chief of Downey.

#14.

13. Each Party shall provide and maintain accurate mapping and related fire protection information necessary for efficient fire dispatching and each Party shall be responsible for all such information and for maintaining such mapping and shall cause changes therein to be sent to the JPCC, and in the event any damage is caused or delay in responding to any emergency is caused by the inaccuracy of such information so supplied, or the failure to supply changes therein, the Party whose responsibility it is to provide such information shall be responsible for any damage or delay caused thereby and shall indemnify Downey and each other Party from any claim of damage, or damages, or cause of action arising there from.

14. Except as stated otherwise specifically herein, it is the intent of the Parties that each Party indemnify the other Parties with respect to liability resulting from each Party's conduct. Accordingly, each Party shall defend, indemnify and hold harmless the other Parties, their officers, employees and agents, against any claims, actions, losses, damages, liability, costs, attorney's fees and litigation expenses that result from any actions or inactions of such indemnifying Party, its officers, employees or agents, taken pursuant to the Agreement.

15. Subject to the continual approval by Downey, which may use its sole discretion without limitation, any Party may assign any qualified person, who is an employee of the Party, to the JPCC to perform the duties and functions of a dispatcher. Such person shall be under the supervision and control of Downey while performing such services but such person shall remain an employee of the assigning Party. At any time and without cause, Downey may decide to cancel the assignment after giving ten days written notice to the Fire Chief of the respective Party. The cost of maintaining such a person so assigned may be credited by the assigning Party against its pro rata share of costs to be paid to Downey hereunder, provided, however, that such costs shall not exceed the compensation level of such Party for a dispatcher unless such person is qualified as, and is assigned as, a communications supervisor by Downey.

16. <u>Amendment</u>. This Agreement represents the entire agreement among the Parties. This Agreement shall not be amended, except by written agreement of all Parties that have not withdrawn pursuant to Section 8.

17. <u>Prior Agreements</u>. This Agreement supersedes all prior agreements among the Parties for the maintenance and operation of the System and the JPCC.

18. <u>Governing Law/Venue</u>. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county.

19. <u>Counterparts</u>. This document may be executed in multiple counterparts, each of which shall be an original and all of which shall constitute one Agreement.

#14.

20. Authority. The persons signing below represent and warrant that all hearings have been conducted and findings made to enter into this Agreement and that they have authority to enter into this Agreement on behalf of the entities for which they are signing this Agreement.

21. Law and Arbitration. This Agreement shall be governed by the laws of the State of California. The parties agree that any and all disputes arising out of or in relation to this Agreement, including without limitation any action in tort, shall be resolved exclusively, finally and conclusively by arbitration in Los Angeles County, California under the auspices of and pursuant to the rules of the Judicial Arbitration & Mediation Services Inc. (JAMS). The arbitrator shall be a retired judge. The decision of the arbitrator shall be in writing, and the arbitrator shall provide written reasons for their decision. The arbitration decision shall be final and binding on the parties. Notwithstanding the foregoing, the parties shall be permitted to access the court system to enforce any arbitration award or to obtain injunctive relief. The exclusive jurisdiction and venue for any such action shall be the Superior Court of California, Los Angeles County. If any of the Parties commences arbitration to enforce their respective rights and/or obligations under this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, costs, and expenses.

IN WITNESS WHEREOF, the Parties hereto have caused this agreement to be executed the day and year opposite each of their respective signatures.

ATTEST:	CITY OF DOWNEY, a municipal corporation
City Clerk 05-18-11	Mayor
APPROVED AS TO FORM:	
City Attorney	

ATTEST:	CITY OF COMPTON, a municipal corporation
6-30-11 City Clerk	City Manager
APPROVED AS TO FORM:	CITY OF COMPTON INCORPORATED MAY A. D. 1888 CALIFORNIA
6/27/11 City Attorney	

#14.

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF SANTA FE SPRINGS, a municipal corporation

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF VERNON, a municipal corporation

Mayor

#14.

RESOLUTION NO. 23,332

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AN AGREEMENT AND PURCHASE ORDER WITH THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES

WHEREAS, the City of Compton has been a member of the Joint Powers of Authority (JPA) with three other cities for Fire and Emergency Medical dispatching; and

WHEREAS, the city of Vernon is a member of Area E and has requested to join the Joint Powers Communication Center (JPCC)

WHEREAS, the aforesaid dispatching services are provided by the Downey Communications Center; and

WHEREAS, each member of the JPA share in the cost of providing this service; and

WHEREAS, the addition of Vernon will reduce cost to all current members of the JPA; and

WHEREAS, funds for this payment have been allocated in the Fire Department's 2011/12 Fiscal Year budget; and

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

Section 1. That the City Manager is authorized to execute a new or amended Dispatch Services Joint Powers Agreement (JPA) with the cities of Downey, Santa Fe Springs and Vernon for the City of Downey to provide emergency fire communication services.

Section 2. That the new or amended Agreement is anticipated to become effective July 1, 2011, and the City of Compton may terminate it's participation in the Joint Powers Agreement with 120 days written notice.

Section 3. That the City Manager is authorized to issue a purchase order in an amount not to exceed $610,112.10 as the City of Compton's share of expenses for the Joint Powers Agreement..

Section 4. That the funds for said services are appropriated in account 1001-69-0000-4269 of the Fire Department's budget for fiscal year 2011/12.

Section 5. That a certified copy of this resolution shall remain on file in the offices of the City Manager, City Clerk, City Controller and the Fire Department.

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

ADOPTED this 8th day of June, 2011.

[signature]

MAYOR OF THE CITY OF COMPTON

#14.

RESOLUTION NO. 23,332
Page 2

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, do hereby certify that the forgoing 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 8th day of June, 2011.

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

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

CITY CLERK OF THE CITY OF COMPTON

#14.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Fire Department**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A PURCHASE ORDER WITH THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES**

Jon Thompson — **6/4/2013 12:30:57 PM**

DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **6/6/2013 4:51:22 PM**

CITY ATTORNEY — DATE

Stephen Ajobiewe — **6/5/2013 6:13:29 PM**

CITY CONTROLLER — DATE

G. Harold Duffey — **6/4/2013 6:31:26 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.

#15.

June 18, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2012-2013 BUDGET AND TO ENTER INTO AN AGREEMENT WITH COMPTON CHAMBER OF COMMERCE

SUMMARY

Consistent with City Council's directions on March 26, 2013, the City Council will consider adopting a resolution that will authorize a Memorandum of Agreement between the City and the Compton Chamber of Commerce ("Chamber") and provide for a financial stipend for the remainder of Fiscal Year 2012-2013, commencing March 1, 2013 through June 30, 2013.

BACKGROUND

The Compton Chamber of Commerce is a private business organization with non-profit 501(c)(6) status dedicated to improving the economic environment of the City of Compton. Through the dissemination of business information and sponsorship of events, the Compton Chamber has historically collaborated with the City of Compton in fostering commercial and industrial development growth in the City.

In support of the Chamber's efforts, the City has historically entered into a memorandum of understanding with the Chamber and provided a $4,000 per month stipend for the promotion of City economic incentive programs, which was viewed as an investment in business development for the City of Compton.

STATEMENT OF THE ISSUE

On March 26, 2013, the City Council directed staff to provide pro-rated funding for Fiscal Year 2012-2013 in the amount of $16,000, effective March 1, 2013, thru June 30, 2013 in the form of a $4,000 monthly stipend. This action would require staff to renew a memorandum of understanding with the Chamber of Commerce and return with a resolution authorizing amendment of the Fiscal Year 2012-2013 budget to appropriate funds for this expenditure in the City Manager's budget.

FISCAL IMPACT

The 2012-2013 Fiscal Year budget shall be amended to appropriate funds to pay the amount of the stipend as follows:

Decrease (From):

$16,000.00 in Account No. 1001-510-000-4101 (Permanent Salaries)

Increase (To):

$16,000.00 in Account No. 1001-510-000-4262 (Other Professional Services)

ALTERNATIVES

Alternatives were discussed in detailed during the March 26, 2013 Council meeting, which resulted in Council's direction to staff to submit this current resolution.

RECOMMENDATION

The City Council has requested that this proposed Resolution be presented for consideration and action.

**G. HAROLD DUFFEY
CITY MANAGER**

#15.

RESOLUTION NO.____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2012-2013 BUDGET AND TO ENTER INTO AN AGREEMENT WITH COMPTON CHAMBER OF COMMERCE

WHEREAS, the Mayor and City Council of the City of Compton are authorized by the laws of the State of California to appropriate and expend funds for the promotion of the intent and goodwill of the City of Compton; and

WHEREAS, the City desires to partner with the Compton Chamber of Commerce as a commercial and industrial information center, to disseminate information relating to these advantages and provide assistance to established commercial and industrial enterprises as to their growth and expansion plans; and

WHEREAS, the commercial and industrial expansion of Compton may benefit the residents and taxpayers of the City by generating additional revenues for the City and by providing commercial and industrial growth; and

WHEREAS, the promotion of industrial and commercial growth may generate new jobs for Compton residents; and

WHEREAS, the Compton Chamber of Commerce agrees to partner with the City to foster commercial and industrial growth and disseminate information, solicit commercial and industrial prospects, service both established and prospective commercial and industrial enterprises and sponsor special events that promote the commercial areas of the City; and

WHEREAS, the City has previously authorized stipends for the purpose of funding the Chamber's activities and operations and the parties desire to set forth their understanding and agreement with regard to further funding from the City.

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

<u>Section 1.</u> That the City Manager, on the advice and approval of the City Attorney, is hereby authorized to enter into a Memorandum of Agreement with the Compton Chamber of Commerce for the remainder of Fiscal Year 2012-2013 (i.e. March 2013 through June 2013).

<u>Section 2.</u> That the City shall pay a stipend to the Compton Chamber of Commerce in the amount of $16,000.00, payable in the amount of $4,000.00 per month for the months of March 2013 through June 2013.

<u>Section 3.</u> That the 2012-2013 Fiscal Year budget is amended to appropriate funds to pay the amount of the stipend as follows:

<u>Decrease (From):</u>

$16,000.00 in Account No. 1001-510-000-4101 (Permanent Salaries)

<u>Increase (To):</u>

$16,000.00 in Account No. 1001-510-000-4262 (Other Professional Services)

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

#15.

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

ADOPTED this ____ day of ____________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _______________, 2013.

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

#15.

MEMORANDUM OF AGREEMENT
BETWEEN
THE CITY OF COMPTON
AND
COMPTON CHAMBER OF COMMERCE

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 **COMPTON CHAMBER OF COMMERCE,** (hereinafter referred to as **"CHAMBER"**) located at 700 North Bullis Road, Room 10A, Compton, California 90221.

RECITALS:

WHEREAS, the **CITY** desires to collaborate with the **CHAMBER** in disseminating information regarding locational advantages of the City of Compton and in providing assistance to established commercial and industrial enterprises in their growth and expansion plans; and

WHEREAS, the commercial and industrial expansion of Compton will benefit the residents and taxpayers of the **CITY** by generating additional revenues for the **CITY**, and by providing commercial and industrial centers conveniently located for Compton residents, employees and consumers; and

WHEREAS, the promotion of industrial and commercial growth will generate new jobs for Compton residents; and

WHEREAS, the **CHAMBER** has collaborated with the **CITY** to foster commercial and industrial growth and disseminate information, solicit commercial and industrial prospects, service both established and prospective commercial and industrial enterprises, and sponsor special events that promote the commercial areas of the City; and

WHEREAS, by Resolution No. _____ adopted on the __ day of _______, 2013, the City Council gave approval to enter into an agreement of understanding with the **CHAMBER**; and

WHEREAS, CHAMBER warrants that it is trained, experienced, competent, and has the resources to provide such services which will be required by this Agreement.

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

AGREEMENT:

1. SERVICES TO BE RENDERED BY CHAMBERS

It is the mutual understanding of the parties that the **CHAMBER** shall perform those services as described in the **CHAMBERS "Scope of Services"** attached hereto and incorporated hereby.

It is understood and agreed that **CHAMBER's** has the professional skills, experience and knowledge necessary to perform the services agreed to be performed under this Agreement and that **CITY** relies upon the professional skills of **CHAMBER** to do and perform **CHAMBER's** work in a skillful and professional manner.

CHAMBER agree to perform all the said services 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.**

CHAMBER services hereunder shall be performed in good, workmanlike and professional manner. **CHAMBER** shall be responsible for correcting and completing all errors and omissions related to the services provided by the **CHAMBER** 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 **CHAMBER** to meet the standards of its profession as set forth in the preceding paragraph.

2. DURATION OF AGREEMENT

This effective date of this Agreement is March 1, 2013 and it shall continue in effect until June 30, 2013, unless this Agreement is terminated as provided herein.

3. ASSIGNMENT OF PERSONNEL

CHAMBER has, or will secure, all personnel required to perform the services under this Agreement. The **CITY** and **CHAMBER** agree such personnel are employees, agents and volunteers only of **CHAMBER** and shall not be considered to be employees of the **CITY** in any way whatsoever.

4. STIPEND

For services performed pursuant to this Agreement, **CITY** and **CHAMBER** agree that the **CITY** shall pay, and **CHAMBER** agrees to accept a stipend of monthly installments of **Four Thousand Dollars ($4,000.00)** for the period of March 1, 2013 through June 30, 2013 for a total compensation of **Sixteen Thousand Dollars ($16,000.00).** The total stipend paid the **CHAMBER** includes compensation for all services, including travel, materials, supplies, vendor services and expenses incurred in the performance of the services agreed to by the parties hereto. No additional compensation will be paid to the **CHAMBER**, 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 **CHAMBER** and the

CITY. Adjustment in the total compensation will not be effective until authorized and approved by the **CITY.**

CHAMBER shall be paid the stipend on a monthly basis upon receipt by the **CITY** of itemized invoices for services completed and monthly reports of all services performed during the preceding month. Invoices and reports shall be mailed or delivered to the City Manager at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

5. OWNERSHIP OF MATERIALS

All electronic and hardcopy drawings, designs, data, reports, documents, discs, diskettes or other material ("Documents") prepared, developed or discovered by or provided to **CHAMBER** during the course of providing services pursuant to this Agreement shall be the property of the **CITY,** whether or not the services are completed**,** and all common law and statutory copyrights now held or acquired in the future by the **CHAMBER** in the documents are hereby assigned to the **CITY. CHAMBER** shall deliver all Documents to the **CITY** no later than the earlier of: (a) the date of final completion of the services, or (b) the date this Agreement is terminated for any reason prior to final completion of the services. If this Agreement is terminated for any reason, the **CITY** and its agents, employees, representatives and/or assigns may use the Documents, in whole or in part, or in modified form, at **CITY's** sole discretion.

6. INDEPENDENT CONTRACTOR STATUS

CHAMBER, its officers, employees, subconsultants, agents and volunteers (collectively hereinafter the "Chamber"), is a wholly independent entity 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 **CHAMBER**, except as expressly set forth in this Agreement. **CHAMBER** expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that **CHAMBER** shall not at any time or in any manner, represent that **CHAMBER** is in any manner officers, employees, agents or volunteers of the **CITY**. **CHAMBER** shall obtain no rights to retirement, health care or any other benefit that accrue to **CITY** officials, officers, or employees. **CHAMBER** expressly waives any claim to such rights.

7. SUCCESSORS, ASSIGNMENT AND DELEGATION

The **CITY** and the **CHAMBER** 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 this Agreement.

The expertise and experience of **CHAMBER** are material considerations for this Agreement. **CHAMBER** shall not assign or transfer any interest in this Agreement or the performance of any of **CHAMBER's** obligations under this Agreement without the prior written consent of the **CITY**. Any attempted assignment or transfer of any of **CHAMBER's** rights, duties or obligations arising under this Agreement shall be null and void.

8. NONDISCRIMINATORY EMPLOYMENT PRACTICES

During the performance of this Agreement, the **CHAMBER** 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, or handicap in accordance with requirements of City, State or Federal laws and regulations. The **CHAMBER** 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, or handicap 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 **CHAMBER** agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

In the event of the **CHAMBER's** non-compliance with the non-discrimination clause of this Agreement, notwithstanding any other provision of this Agreement, the **CITY** may immediately cancel, terminate or suspend this Agreement in whole or in part.

9. INDEMNIFICATION

CHAMBER 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 and expense, including defense costs, legal fees, fines, penalties, expenses, 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 the negligent, reckless, wrongful or intentional acts or omissions of **CHAMBER**, its employees, subconsultants or agents in the performance of the duties undertaken by **CHAMBER** pursuant to this Agreement.

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

10. INSURANCE

Without limiting the **CHAMBER's** indemnification of the **CITY, CHAMBER** shall provide and maintain, at its own expense, and require any of its subconsultant's to maintain, during the term of this Agreement the following program(s) of insurance covering its operations as applicable hereunder in this 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: **CHAMBER** shall provide and maintain at its own expense during the term of this Agreement a program, including but not limited to commercial general liability, inclusive of contractual liability, personal injury liability, broad form property damage and Errors and Omissions (Professional Liability) with a combined single limit of not less than **One Million Dollars ($1,000,000.00)** per occurrence. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

b. Workers' Compensation Insurance: **CONSULTANT** if necessary, 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 **CONSULTANT** and all risks to such persons under the Agreement.

c. Insurance Endorsements. The general liability insurance policy 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, covered and endorsed as **"additional insureds"** with respect to liability arising out of the activities of the **CONSULTANT**.

(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) Identity of the insured(s) and the project subject to this Agreement.

Insurance coverage specified herein constitutes the minimum requirements and said requirements shall in no way lessen or limit the liability of the **CONSULTANT** under the terms of the Agreement. **CONSULTANT** 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 **CONSULTANT's** work.

CONSULTANT shall ensure any and all subconsultants performing services under this Agreement meet the insurance requirements of this Agreement.

11. PERMITS AND LICENSES

CHAMBER, 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 **CHAMBER**.

Upon execution of this Agreement the **CHAMBER** shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

12. WARRANTIES

CHAMBER warrants that it has not employed or retained any company or persons, other than a bona fide employee working solely for the **CHAMBER**, to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person other than a bona fide employee working solely for the **CHAMBER**, any fee, commission, percentage, brokerage fee, gift, or contingent fee.

Each of the undersigned signatories for the parties hereby warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Agreement upon the terms and conditions stated herein and each agrees to indemnity and hold harmless the other from all damages, costs and expenses which result from a breach of this material representation.

13. CHAMBER's RESPONSIBILITIES

a. All work required under this Agreement as reflected in **CHAMBERS "Scope of Services"** incorporated herein will be performed by **CHAMBER**, or under **CHAMBER's** direct supervision, and all personnel shall possess the qualifications, permits and licenses required by state and local law to perform such services.

b. **CHAMBER** shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Agreement and compliance with performance standards established by **CITY**.

c. **CHAMBER** shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance and social security.

d. **CHAMBER** shall indemnify and hold harmless the **CITY** from any liability, damages, claims, costs and expenses of any nature arising from alleged violations of **CHAMBER's** personnel practices.

e. By accepting the terms of this Agreement, **CHAMBER** and the **CITY** agrees to operate in a manner that demonstrates a collaborative relationship. In the event the **CHAMBER** defames the **CITY** or its officials, either in print or verbally, grounds for immediate termination shall exist.

14. COMPLIANCE WITH LAW

All services rendered hereunder shall be provided in accordance with the requirements of relevant local, State and Federal laws.

15. MATERIALS PROVIDED

a. **CITY** shall provide to **CHAMBER**, demographic data and maps now in their possession, and other information to facilitate the efficient performance of this Agreement, free of charge, without restriction or limitation on their use.

b. All data, including reports, records, maps and other information prepared or obtained by **CHAMBER** in the course of performing the work required by this Agreement shall, upon request, be made available to **CITY** free of charge, without restriction or limitation on their use.

16. CHAMBER's BOOKS AND RECORDS

CHAMBER 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.

CHAMBER 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** for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at **CHAMBER's** address indicated for receipt of notices in this Agreement.

17. EXAMINATION AND AUDIT

This Agreement shall be subject to examination and audit of the State Auditor of the State of California and 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.

18. DEFAULT AND TERMINATION

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

a. Either party may terminate this Agreement at any time by giving ten (10) days written notice of termination to other party. If the **CITY** gives such notice of termination, **CHAMBER** shall cease immediately all work in progress, unless otherwise directed by the **CITY**.

b. 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**.

c. Upon termination by either party**, CHAMBER** shall furnish to the **CITY** a final invoice for services performed. **CHAMBER** shall deliver to the **CITY** all property of the **CITY** in **CHAMBER's** possession and copies of all reports, documents and other work prepared by **CHAMBER** pursuant to this Agreement.

19. 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.

20. AMENDMENTS

This Agreement may be modified or amended only by a written document executed by both **CHAMBER** 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.

21. GOVERNING LAW AND SEVERABILITY

This Agreement shall be governed by and construed under the laws of the State of California. 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 reminder 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. 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 subconsultant or subcontractor and the **CITY**.

23. NOTICES

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 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 CHAMBER: **COMPTON CHAMBER OF COMMERCE**
700 North Bullis Road, Suite 10A
Compton, California 90221
Attn: President/Director
( )

( ) - fax.

TO CITY: **CITY OF COMPTON**
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager
(310) 605-5585
(310) 761-1429 - fax.

IN WITNESS WHEREOF, CHAMBER has executed this Agreement, and the **CITY**, by its City Manager, who is authorized to do so, has executed this Agreement.

COMPTON CHAMBER OF COMMERCE

Dated: ____________________ **By ________________________________**
Lestean M. Johnson, President

CITY OF COMPTON
Approved by:

Dated: _____________________ **By ________________________________**
G. Harold Duffey, City Manager

Approved as to form:

Dated: _______________________ **By ________________________________**
Craig J. Cornwell, City Attorney

ATTEST:

Dated: _________________________ **By _________________________________**
Alita Godwin, City Clerk

Exhibit A

Scope of Service

Compton Chamber-acting by and through its Executive Board and Board of Directors, will, in a manner commensurate with available funding perform the following functions during the contract period of March 1, 2013 thru June 30, 2013.

1. Maintain an office within the City of Compton-which is accessible to the public and fully equipped for the purpose of disseminating information, answering correspondences, and inquiries regarding the City of Compton.

2. Assist the City of Compton in conducting surveys and other primary research on the Compton market. Surveys include (but are not limited to):
   a. Commercial insurance needs
   b. Need for new products and services
   c. Determination of the quality of customer service that they are receiving from Compton businesses

3. Serve as an information bureau for the benefit of the local public; collecting and maintaining data and statistics of general interests. Retrieve and collect information on commercial, industrial, residential advantages and opportunities that will benefit the City and local residents and taxpayers.

4. Conduct a minimum of four (4) business specific workshops.

5. Publicize, upon request, City-sponsored activities and functions and to assist and coordinate with respect to such activities and functions.

6. Upon request of the City, publicize any sponsored activities and events.

7. Assist the City with any coordination and/or function associate with City sponsored event.

8. Chamber will agree to advertise and promote the commercial and industrial expansion/development of the City of Compton and to cooperate with all agencies and individuals; whether governmental or private in achieving such expansion and development. In this regard, the Chamber shall do the following:

#15.

a. Collaborate with the City of Compton to obtain appropriate information and services regarding prospective businesses
b. The Chamber shall help the City of Compton compile and maintain pertinent information on community characteristics as may be of value and interest for the location of new businesses and shall disseminate such information through appropriate organizations and agencies. This shall include, but not be limited to, demographics, lease rates, city history, community maps, and City resources.
c. The Chamber shall encourage residents and businesses with a 'Buy in Compton' campaign to purchase goods and services within the City of Compton in associate with the Office of the City Manager-Economic Development Division. Promotional activities may include, but not be limited to the following:
    i. Mixers
    ii. Business referrals
    iii. Business directory
    iv. City Maps
    v. Ribbon cuttings
    vi. Business profiles
d. Direct inquiries relating to potential commercial or industrial locations or development within the City to the Office of the City Manager-Economic Development Division.

e. Work closely in conjunction with the Office of the City Manager-Economic Development Division in providing services and/or obtaining information from the business community.

9. The Chamber will agree to provide the City with monthly progress reports indicating the status of its community promotions and the activities describe in the Scope of Work section of this attachment. All reports are submitted to the Office of the City Manager for distribution to appropriate City Officials and personnel.

10. The Chamber shall describe in the report activities undertaken and accomplished of each task during the reporting period.
11. Additionally, the Chamber agrees to fully cooperate and participate in other mutually agreed upon tasks, projects and responsibilities as required by the City.

#15.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Attorney**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE FISCAL YEAR 2012-2013 BUDGET AND TO ENTER INTO AN AGREEMENT WITH COMPTON CHAMBER OF COMMERCE**

Ruth Rugley	**5/16/2013 10:35:32 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/5/2013 8:56:31 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/5/2013 6:00:39 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**5/22/2013 1:26:53 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.

June 18, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON SUPPORTING THE ADOPTION OF CALIFORNIA ASSEMBLY BILL (AB) 28 TO REFORM THE STATE'S ENTERPRISE ZONE (EZ) PROGRAM.

SUMMARY

The City Council will consider adopting a Resolution supporting the adoption of California Assembly Bill (AB) 28 to reform the State's Enterprise Zone (EZ) Program.

BACKGROUND

Since 1984 the California Enterprise Zone (EZ) Program has provided businesses hiring credits, sales and use credits, and other tax incentives to stimulate business growth, attraction, and employment within economically distressed areas of the State. The EZ Program has been particularly important to urban communities whose diverse populations face daunting challenges to their economic progress. Areas designated as Enterprise Zones entice business development and investment in economically distressed areas of the State by offering tax deductions and credits for creating jobs and hiring local workers.

The City of Compton has been designated an Enterprise Zone since August 1, 2007 that is valid until July 31, 2022. As a result of the City's EZ designation, businesses are now encouraged to operate within the City's boundaries to provide job opportunities to people with significant barriers to employment and promote the hiring of local residents from economically distressed communities. Recently, the State's EZ Program has been under constant attack for substantial reforms by California Governor Jerry Brown who, for all intents and purposes, wants to essentially eliminate the EZ Program.

STATEMENT OF ISSUE

The City of Compton believes that the EZ Program can and should be improved with appropriate reforms through the development of thoughtful improvements that preserve the Program's essential economic and community development benefits. California Assembly Bill (AB) 28 proposes reforms that will improve the EZ Program to better serve its core purpose and resolve some of the problems that have been identified and targeted by Governor Brown.

AB 28 proposes reforms that will improve policy and fiscal improvements to the EZ Program. Such reforms include restricting eligible areas for new EZ designations to low-income census tracks, limiting the size of a new EZ that includes an area from an existing or previous EZ, improved tracking of local financial and non-financial contributions to an EZ, and linking each EZ's required biennial progress report to the Department of Housing and Community Development (HCD) to the de-designation process. The reforms proposed by AB 28 ensure that the EZ Program is targeting those communities that reap the greatest benefit from an EZ. For example, AB 28 improves data tracking which would allow poor-performing Enterprise Zones to be identified and, if necessary, to be de-designated. This type of reform preserves the Program for areas and communities where an EZ designation works while identifying other EZ areas for potential de-designation due to poor-performance or Program abuse.

This Resolution will increase support for the adoption of AB 28 by the Legislature to help preserve Enterprise Zones and reflects the City's strong belief that Enterprise Zones are an integral part of the State's economy as well as the local community.

FISCAL IMPACT

There is no fiscal impact to the City of Compton for adopting the attached Resolution.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution supporting the adoption of California Assembly Bill (AB) 28 to reform the California Enterprise Zone Program.

G. HAROLD DUFFEY
CITY MANAGER

Attachment: Proposed Resolution

#16.

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON SUPPORTING THE ADOPTION OF CALIFORNIA ASSEMBLY BILL (AB) 28 TO REFORM THE STATE'S ENTERPRISE ZONE (EZ) PROGRAM.

WHEREAS, since 1984 the California Enterprise Zone (EZ) Program has provided businesses hiring credits, sales and use credits, and other tax incentives to stimulate business growth, attraction, and employment within economically distressed areas of the State; and

WHEREAS, the State's EZ Program has particular importance to urban communities whose diverse populations face daunting challenges to their economic progress; and

WHEREAS, since August 2007, the City of Compton has been designated an Enterprise Zone (EZ) valid until July 2022; and

WHEREAS, an EZ designation encourages business development and investment in economically distressed areas of the City by offering tax deductions and credits for creating jobs and hiring local workers; and

WHEREAS, despite the progress gained by areas designated as an Enterprise Zone, the State's EZ Program has been under constant attack by Governor Jerry Brown's proposed reforms to essentially eliminate the EZ Program; and

WHEREAS, the City of Compton believes that the EZ Program can and should be improved with appropriate reforms through the development of thoughtful improvements that preserve the Program's essential economic and community development benefits; and

WHEREAS, California Assembly Bill (AB) 28 proposes reforms that will improve the EZ Program to better serve its core purpose and resolve some of the problems identified and targeted by Governor Brown; and

WHEREAS, some of the proposed reforms in AB 28 that address policy and fiscal improvements to the EZ Program include: restricting eligible areas for new EZ designations to low-income census tracks; limiting the size of a new EZ that includes an area from an existing or previous EZ; improved tracking of local financial and non-financial contributions to an EZ; and linking each EZ's required biennial progress report to the Department of Housing and Community Development (HCD) to the de-designation process; and

WHEREAS, the proposed reforms in AB 28 ensure that the EZ Program is targeting those communities that reap the greatest benefit from an EZ designation through improved data tracking which would allow poor-performing EZs to be identified and, if necessary, to be de-designated; and

WHEREAS, this Resolution will increase support for the adoption of AB 28 by the Legislature to help preserve Enterprise Zones and reflects the City of Compton's strong belief that Enterprise Zones are an integral part of the State's economy as well as the local community.

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

Section 1. That the City of Compton supports the adoption of California Assembly Bill (AB) 28 to reform the California Enterprise Zone Program.

#16.

Section 2. That the City Council encourages its businesses and citizens to communicate its support of AB 28 to the Governor and our State's legislature.

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

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

ADOPTED this _____ day of ____________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this ______ day of _______________, 2013.

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

#17.

June 18, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON OPPOSING THE GOVERNOR'S MAY BUDGET REVISE OF THE 2013-2014 STATE BUDGET PROPOSING SUBSTANTIAL REFORMS TO THE CALIFORNIA ENTERPRISE ZONE (EZ) PROGRAM.

SUMMARY

The City Council will consider adopting a Resolution opposing California Governor Jerry Brown's May Revision, 2013-2014, which proposes substantial reforms to the California Enterprise Zone (EZ) Program.

BACKGROUND

The California Enterprise Zone Program

California's Enterprise Zone (EZ) Program was established in 1984 by the Department of Housing and Community Development (HCD) to stimulate business investment in certain areas of the State, create job opportunities for Californians, and encourage economic development in economically disadvantaged areas. The HCD may designate a geographic area, if all requirements are satisfied, as an Enterprise Zone (EZ) for a period of fifteen (15) years. Geographic areas are eligible based on certain criteria such as unemployment rates, median income, plant closures, or history of gang-related activity. HCD may designate up to forty-two (42) Enterprise Zones statewide, however, currently there are only forty (40) Enterprise Zones in the state.[1] To be eligible for an EZ designation, cities and counties must submit an application to the HCD for consideration. HCD reviews the application and, if all requirements are satisfied, may designate a geographic area as an Enterprise Zone. The City of Compton was awarded a California EZ designation with a designation date retroactive to August 1, 2007.[2]

Within Enterprise Zones, businesses are encouraged to operate through the application of various tax deductions and credits for creating jobs and hiring local workers. Businesses inside a designated EZ may qualify for a hiring tax credit for qualified employees, a sales and use tax credit on qualified equipment purchases, and

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[1] In 2012, two Enterprise Zones (Watsonville and Antelope Valley) were allowed to expire. According to HCD, the agency would not renew Enterprise Zone participants until changes to the program were made.

[2] Resolution No. 22,473, adopted November 20, 2007, by the City Council of the City of Compton.

retroactive application of tax credits for qualified employees. Other benefits include increased expense deductions, accelerated depreciation of qualified equipment, and State preference points for certain contract procurements if the business work site is located in an Enterprise Zone. Lenders can also take a deduction for the amount of net interest received on loans made to businesses located in Enterprise Zones, thus creating an incentive for lenders to provide loans to these businesses. A few of the significant benefits that will most likely be affected by the Governor's proposal are discussed in greater detail below.

The Hiring Tax Credit

A significant benefit to a business entity operating in an Enterprise Zone is the *hiring tax credit*. The hiring tax credit is available to entities in Enterprise Zones for each *qualified employee*[3] hired to work for those entities. The entity is allowed to claim a tax credit equal to fifty percent (50%) of an employee's wages for the first year of employment. The tax credit, however, decreases by ten percent (10%) for each subsequent year and is available for a total of five (5) years[4].

Businesses may also claim the hiring tax credit for residents of Targeted Employment Areas (TEA). Cities and counties managing Enterprise Zones may draw TEAs to contain communities where fifty-one percent (51%) or more of the individuals are low or moderate income, but any individual residing in a TEA qualifies his or her employer for the hiring credit regardless of the individual's economic status or employability.

The Sales or Use Tax Credit

Businesses operating in an Enterprise Zone can also claim a tax credit equal to the *sales or use tax*[5] on qualified equipment that is purchased or used within the boundaries of an Enterprise Zone, such as equipment for manufacturing, renewable energy, data processing and communications, and motion picture production. The May Revise proposes to expand this credit for manufacturing and biotech research and development (R&D) equipment purchases on a statewide basis. Also, the proposed reform to this exemption appears to be more narrowly defined than the existing exemption.

Retroactive Vouchering

Businesses in a EZ designated area that are allowed the hiring tax credit for qualified employees must apply to the local EZ for a voucher certificate as evidence for utilization of the hiring tax credit on a state tax return. As currently administered, the EZ Program

[3] *Qualified employees* include individuals who are: (1) eligible for job training programs; (2) eligible for most social welfare programs; (3) economically disadvantaged; (4) a "dislocated worker", as defined; (5) a disabled individual eligible or enrolled in a state rehabilitation plan; (6) a service connected veteran; (7) an ex-offender; and (8) a member of a federally-recognized Indian tribe.

[4] Businesses may receive up to $37,440 tax credit per eligible employee for the five (5) year period.

[5] In order to deduct the use tax, property purchased must be manufactured in the state of California, unless such property of a comparable quality and price was not available from a California manufacturer.

permits businesses to use the voucher in years other than those in which an employee is hired, i.e. retroactive vouchering. Since approximately thirty percent (30%) of all vouchers are retroactive, the Governor's Revise proposes to limit voucher applications to within one (1) year of an employee's date of hire, thus limiting the current retroactive application of eligible tax years.

Compton Enterprise Zone

On or about September 6, 2006, the City of Compton submitted its application to the HCD in order to secure an EZ designation. Subsequently, the City was awarded in October 2007 a California EZ designation with a designation date retroactive to August 1, 2007[6]. On November 20, 2007, the City Council adopted a resolution[7] authorizing the establishment of boundaries for the Compton Enterprise Zone Program Targeted Employment Areas (TEA).

In census year 2010, Enterprise Zones created or retained more than 118,000 jobs in California.[8] Locally, in the same year, the Compton EZ Program successfully achieved the following results[9]:

- Number of businesses utilizing EZ benefits: 139
- New jobs created: 131
- Jobs retained: 872
- Employees off public assistance: 135

As a result of the City's EZ designation, businesses are now encouraged to operate within the City's boundaries to provide job opportunities to people with significant barriers to employment and promote the hiring of local residents from economically distressed communities. Although California continues to grapple with high unemployment levels, the Enterprise Zone Program is one of the few remaining tools at the State's disposal to stimulate business investment and create jobs, especially in some of California's most distressed communities.

<u>STATEMENT OF ISSUE</u>

Governor Jerry Brown's May Revise proposes a series of reforms to California's (EZ) Program that significantly reduce the Program's effectiveness. Although many of the Governor's past proposed reforms concerning the State's EZ Program have been previously rejected by the Legislature, the Governor's May Budget Revise again calls for

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[6] The duration of Compton's Enterprise Zone is fifteen (15) years and will expire July 31, 2022.
[7] Resolution No. 22,473.
[8] http:// www.jobsandsafecommunities.com
[9] Id. Information provided from calendar year 2010 voucher information.

proposing regulatory changes to the EZ Program. Some of these proposed regulatory changes include: (1) repealing eligibility requirements that must be satisfied to realize current EZ tax benefits; (2) requiring all voucher applications to be submitted within one (1) year of an employee's hire date to limit retroactive hiring credits; (3) requiring third-party verification of employee residency within a Targeted Employment Area (TEA); and (4) streamlining the vouchering process for hiring veterans and recipients of public assistance.

California's EZ Program was specifically designed to provide incentives for retention, attraction and expansion of business in economically distressed communities. The Governor's proposal, in essence, ignores the State's current economic climate and fails to recognize the need for job retention or replacement. One of the initial purposes of the EZ Program was to focus on hiring disadvantaged individuals from low-income communities and individuals who frequently encounter barriers to gainful employment (e.g. economically disadvantaged, ex-offenders, veterans etc.). The Governor's proposed reforms severely reduces the incentives provided by the EZ Program by limiting application of the Program's tax benefits and retaining some of the past barriers to employment the EZ Program was designed to eliminate.

For example, the Governor's Budget Revise proposes to permit tax credits for businesses anywhere in the State who hire people living in neighborhoods with high unemployment and poverty rates with <u>limited</u> applicability to only three (3) targeted groups --- specifically veterans, people unemployed for lengthy periods, and individuals collecting public assistance. It also proposes other limitations and requirements, such as retroactive vouchering and third-party verification of residency. By limiting retroactive vouchering to within one (1) year of an employee's date of hire, the proposed reform essentially eliminates the ability of small businesses to amend tax returns for prior years and claim those credits for qualified employees. The requirement of third-party verification for employee residency may also increase the burden of the administrative process by requiring more cooperation of employees before a business can claim the applicable tax credits.

Overall, the Governor's proposal decreases the incentives of the EZ Program for entities to build a successful and thriving business that employs disadvantaged individuals in distressed communities. By essentially eliminating some of the significant incentives of the EZ Program, the Governor's proposal increases the difficulties of small and medium sized businesses to expand or attract new business in these economically distressed areas. If cost efficiency is the goal, other alternatives should be considered to attain this goal while limiting potential disruptions to the State's EZ program.

This Resolution will increase support and provide additional encouragement to other local jurisdictions that manage an Enterprise Zone to take meaningful steps towards driving economic development in California's economically disadvantaged and distressed communities. It is important for local governments to understand that Enterprise Zones, and its many tax benefits, are designed to encourage businesses to hire individuals who are in disadvantaged areas, receiving unemployment or government assistance, or veterans entering the workforce. Notwithstanding job creation, California's EZ Program potentially saves the State millions of dollars by removing people off of government assistance and turning them into taxpayers.

FISCAL IMPACT

There is no fiscal impact to the City of Compton for adopting the attached Resolution.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution opposing the Governor's May Budget Revise of the 2013-2014 State Budget proposing substantial reforms to the current California Enterprise Zone Program.

G. HAROLD DUFFEY
CITY MANAGER

Attachment: Proposed Resolution

#17.

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON OPPOSING THE GOVERNOR'S MAY BUDGET REVISE OF THE 2013-2014 STATE BUDGET PROPOSING SUBSTANTIAL REFORMS TO THE CALIFORNIA ENTERPRISE ZONE (EZ) PROGRAM.

WHEREAS, California's Enterprise Zone Program was established in 1984 by the Department of Housing and Community Development (HCD) to stimulate business investment in certain areas of the State, create job opportunities for Californians, and encourage economic development in economically disadvantaged areas; and

WHEREAS, the HCD may designate a geographic area, if all requirements are satisfied, as an Enterprise Zone (EZ) for a period of fifteen (15) years; and

WHEREAS, businesses are encouraged to operate within Enterprise Zones through the application of various tax credits and other benefits, such as a hiring tax credit for qualified employees, a sales or use tax credit for qualified equipment purchases, and retroactive tax credits for qualified employees; and

WHEREAS, on or about September 6, 2006, the City of Compton submitted an application to the HCD in order to secure an EZ designation and subsequently, was awarded in October 2007 a California EZ designation with a designation date retroactive to August 1, 2007; and

WHEREAS, in the census year 2010, Enterprise Zones created or retained more than 118,000 jobs in California; and locally, the City of Compton's EZ Program successfully resulted in: 139 businesses utilizing EZ benefits; 131 new jobs created; 872 jobs retained; and 135 employees coming off public assistance; and

WHEREAS, since its designation as an Enterprise Zone, the City of Compton's EZ Program has provided job opportunities to people with significant barriers to employment by encouraging businesses to locate, or in some cases expand, to economically distressed areas and to hire local residents; and

WHEREAS, California Governor Jerry Brown's May Budget Revise of the 2013-2014 State Budget proposes a series of reforms to the State's EZ Program that significantly reduce the Program's effectiveness, such as repealing eligibility requirements for EZ tax benefits, eliminating retroactive tax credits for qualified employees, requiring third-party verification of employee residency, and limiting applicability of the EZ hiring tax credit to specific groups; and

WHEREAS, California's EZ Program was specifically designed to provide incentives for retention, attraction and expansion of businesses in economically distressed communities; and

WHEREAS, the Governor's proposal, in essence, ignores the State's current economic climate and fails to recognize the need for job retention or replacement, a basis for which the EZ Program was created to address; and

WHEREAS, the Governor's proposal also burdens the administrative process of the State's EZ Program with additional mandates and decreases the incentive for businesses to build a successful and thriving business that employs disadvantaged individuals in distressed communities; and

WHEREAS, this Resolution will increase support and provide additional encouragement to other local jurisdictions that manage an Enterprise Zone to take meaningful steps towards driving economic development in California's economically disadvantaged and distressed communities.

#17.

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

Section 1. That the City of Compton opposes the Governor's May Budget Revise of the 2013-2014 State Budget to reform the California Enterprise Zone Program.

Section 2. That the City Council encourages its businesses and citizens to communicate its opposition to the May 2013 Budget Revise to the Governor and our State's legislature.

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

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

ADOPTED this _____ day of ____________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this ______ day of _______________, 2013.

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

#18.

June 18, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON OPPOSING THE ADOPTION OF CALIFORNIA SENATE BILL (SB) 434 TO SIGNIFICANTLY REFORM THE STATE'S ENTERPRISE ZONE (EZ) PROGRAM.

SUMMARY

The City Council will consider adopting a Resolution opposing the adoption of California Senate Bill (SB) 434 to significantly reform the State's Enterprise Zone (EZ) Program.

BACKGROUND

The California Enterprise Zone (EZ) Program, since its establishment in 1984, has provided businesses with tax incentives and other benefits to stimulate business investment and job creation in economically depressed areas of the State. The EZ Program is one of the few remaining economic development programs at the State's disposal that was created to impact communities whose diverse populations face significant barriers to employment and daunting challenges to their economic development. An EZ designation encourages business development and investment in economically distressed areas of the State by offering tax deductions and credits for creating jobs and hiring local workers.

The City of Compton, a designated Enterprise Zone (EZ) since August 2007, has experienced economic gains as a result of its EZ designation. As a result of the City's EZ designation, businesses are now encouraged to operate within the City's boundaries to provide job opportunities to people with significant barriers to employment and promote the hiring of local residents from economically distressed communities. The economic progress gained by the City's EZ Program, however, is being threatened by significant reforms proposed by California Governor Jerry Brown and other critics of the EZ Program who essentially want to eliminate the EZ Program

STATEMENT OF ISSUE

The City of Compton believes that the EZ Program can and should be improved with appropriate reforms through the development of thoughtful improvements that preserve the Program's essential economic and community development benefits. California Senate Bill (SB) 434, however, proposes several significant changes to the EZ Program that essentially decimates the existing EZ Program and harms local agencies and

#18.

businesses that have made decisions and investments based upon the State's commitments as provided for by the EZ Program.

The City finds several of the proposed reforms by SB 434 objectionable and harmful to the existing EZ Program. Some these proposed reforms include: elimination of retroactive vouchers (i.e. tax credits); requiring net increase in employee headcount; reforming the hiring credit cap and structure; eliminating the hiring credit for temporary jobs; capping the cost of the Program, setting a sunset date of the Program in 2019 and requiring a legislative review; increasing transparency to expose businesses who claim tax credits; and regulating tax consultants.

Although the City understands there are criticisms of the EZ Program and its incentives, the City supports efforts to make legitimate improvements through thoughtful reforms that preserve the Program's essential economic and community development benefits and do not harm the businesses and individuals the Program was intended to benefit. This Resolution reflects the City's position to respectfully oppose the adoption of SB 434 by the Legislature because such reforms would seriously harm one of California's few remaining economic development programs and negatively impact small businesses, economically depressed areas of the State, and especially low-income and minority communities

FISCAL IMPACT

There is no fiscal impact to the City of Compton for adopting the attached Resolution.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution opposing the adoption of California Senate Bill (SB) 434 to significantly reform the State's Enterprise Zone Program.

G. HAROLD DUFFEY
CITY MANAGER

Attachment: Proposed Resolution

#18.

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON OPPOSING THE ADOPTION OF CALIFORNIA SENATE BILL (SB) 434 TO SIGNIFICANTLY REFORM THE STATE'S ENTERPRISE ZONE (EZ) PROGRAM.

WHEREAS, the California Enterprise Zone (EZ) Program, since its establishment in 1984, has provided businesses with tax incentives and other benefits to stimulate business investment and job creation in economically depressed areas of the State; and

WHEREAS, the EZ Program is one of the few remaining economic development programs at the State's disposal that was created to impact communities whose diverse populations face significant barriers to employment and daunting challenges to their economic development; and

WHEREAS, an EZ designation encourages business development and investment in economically distressed areas of the State by offering tax deductions and credits for creating jobs and hiring local workers; and

WHEREAS, the City of Compton, a designated an Enterprise Zone (EZ) since August 2007, has experienced economic gains as a result of its EZ designation; and

WHEREAS, the economic progress gained by the City's EZ Program is being threatened by significant reforms proposed California Governor Jerry Brown and other critics of the EZ Program who essentially want to eliminate the EZ Program; and

WHEREAS, the City of Compton believes that the EZ Program can and should be improved with appropriate reforms through the development of thoughtful improvements that preserve the Program's essential economic and community development benefits; and

WHEREAS, California Senate Bill (SB) 434 proposes several significant changes to the EZ Program that essentially decimates the existing EZ Program and harms local agencies and businesses that have made decisions and investments based upon the State's commitments as provided for by the EZ Program; and

WHEREAS, some of the proposed reforms by SB 434 that the City finds objectionable include: elimination of retroactive vouchers (i.e. tax credits); requiring net increase in employee headcount; reforming the hiring credit cap and structure; eliminating the hiring credit for temporary jobs; capping the cost of the Program, setting a sunset date of the Program in 2019 and requiring a legislative review; increasing transparency to expose businesses who claim tax credits; and regulating tax consultants; and

WHEREAS, the City understands there are criticisms of the EZ Program and its incentives, and supports the efforts to make legitimate improvements through thoughtful reforms that preserve the Program's essential economic and community development benefits and do not harm the businesses and individuals the Program was intended to benefit; and

WHEREAS, this Resolution reflects the City's position to respectfully oppose the adoption of SB 434 by the Legislature because such reforms would seriously harm one of California's few remaining economic development programs and negatively impact small businesses, economically depressed areas of the State, and especially low-income and minority communities.

#18.

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

Section 1. That the City of Compton respectfully opposes the adoption of California Senate Bill (SB) 434 to significantly reform the California Enterprise Zone Program.

Section 2. That the City Council encourages its businesses and citizens to communicate its opposition of SB 434 to the Governor and our State's legislature.

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

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

ADOPTED this _____ day of ____________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this ______ day of _______________, 2013.

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

June 18, 2013

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: GLEN C. KAU, P.E., INTERIM DIRECTOR
PUBLIC WORK DEPARTMENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING GRANT FUND ACCOUNT #2620 OF THE 2012-2013 FISCAL YEAR BUDGET TO INCREASE REVENUES AND EXPENDITURES

SUMMARY

This Resolution will allow the City Controller to appropriate EPA Grant funds in the amount of **Eight Hundred Forty Three Thousand Four Hundred Ninety Five Dollars and Seventy-Four Cents ($843,495.74)** into the Fiscal Year 2012-2013 Grant Fund Account #2620.

BACKGROUND

The City is in the process of completing the new well and storage tank at Sibrie Park, Well #20. Resolution No. 23,633, adopted on October 23, 2012, approved the funding and awarded a contract to Cora Constructors, Inc. to construct Well #20 at Sebrie Park; however, the funding (i.e. EPA Grant funds) were not appropriated into the 2012-2013 Fiscal Year budget.

STATEMENT OF ISSUE

The EPA Grant deadline is June 30, 2013; however, the project will not be completed by June 30, 2013. It is the goal of the City to complete as much of this project by that date in order to receive grant reimbursement. To achieve that goal, funds need to be moved from prior year's revenue so that funds can be expended.

The EPA Grant is a major funding source of the Well #20 Project at Sibrie Park, thus the grant funding must be appropriated into the 2012-2013 Fiscal Year budget in order to continue and complete the project.

ALTERNATIVE

The alternative would be to forfeit the EPA grant funding, and fund the project solely with Water Bond funds.

#19.

FISCAL IMPACT

The City received a grant from the EPA and there is a balance of $843,495.74; in order to expend those funds the balance need to be appropriated into the 2012-2013 Fiscal Year Grant Fund Account #2620 as follows:

MOVE REVENUE	**AMOUNT**
2620-000-000-3980 (Prior Year Misc)	$843,495.74
INCREASE REVENUE	**AMOUNT**
2620-850-000-3565 (Revenue)	$843,495.74
INCREASE EXPENSES	**AMOUNT**
2620-850-000-4332	$843,495.74

RECOMMENDATION

Staff recommends the adoption of the attached Resolution.

GLEN W.C. KAU, P.E., INTERIM DIRECTOR
PUBLIC WORKS DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#19.

RESOLUTION NO. ___________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING GRANT FUND ACCOUNT #2620 OF THE 2012-2013 FISCAL YEAR BUDGET TO INCREASE REVENUES AND EXPENDITURES

WHEREAS, the City is in the process of completing the new well and storage tank at Sibrie Park, Well #20; and

WHEREAS, Resolution No. 23,633, adopted on October 23, 2012, approved the funding and awarded a contract to Cora Constructors, Inc. to construct Well #20 at Sebrie Park; and

WHEREAS, that the Resolution No. 23,633 indicated that the EPA Grant funds would be utilized to fund the Well #20 Project, however it did not amend the budget to increase Revenue Account #2620 850 000 3565 as well as increase Expenses in Account #2620 850 000 3565 by the amount of $843,495.74 and bring prior year funding for this expenditure to the 2012/13 Fiscal Year budget; and

WHEREAS, the EPA Grant deadline is June 30, 2013 and it is the goal of the City to complete as much of this project as possible by that date in order to receive grant reimbursement and to achieve that goal, the EPA Grant funds need to be moved from prior year's revenue so that the funds may be expended; and

WHEREAS, the EPA Grant is a major funding source of the Well #20 Project at Sibrie Park, thus the grant funding must be appropriated into the 2012-2013 Fiscal Year budget in order to continue and complete the project.

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

SECTION 1. That the Grant Fund Account #2620 of the 2012-2013 Fiscal Year Budget shall be amended as follows:

MOVE REVENUE	**AMOUNT**
2620 000 000 3980 (Prior Year Misc.)	$843,495.74
INCREASE REVENUE	**AMOUNT**
2620-000-000-3565	$843,495.74
INCREASE EXPENSE	**AMOUNT**
2620-850-000-4332	$843,495.74

SECTION 2. That copies of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, and Public Works/Municipal Utilities Department.

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

ADOPTED this ____ day of _____________, 2013.

____
MAYOR OF THE CITY OF COMPTON

#19.

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _________________, 2013.

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

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

____
CITY CLERK OF THE CITY OF COMPTON

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works/Municipal Utilities Department**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING GRANT FUND ACCOUNT #2620 OF THE 2012-2013 FISCAL YEAR BUDGET TO INCREASE REVENUES AND EXPENDITURES**

Tana McCoy — **5/20/2013 11:27:56 AM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **6/5/2013 8:45:53 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **6/5/2013 5:26:22 PM**
CITY CONTROLLER — DATE

G. Harold Duffey — **5/28/2013 8:47:17 AM**
CITY MANAGER — DATE

Use when:

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

June 18, 2013

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **CITY ATTORNEY**

RE: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE TO DELETE SECTION 2-1.12 (ADJOURNMENT OF CITY COUNCIL MEETINGS IN AUGUST) IN ITS ENTIRETY**

SUMMARY

A member of the City Council has requested that an ordinance be brought forth for the Council to consider for adoption that will re-establish regular meetings of the City's legislative bodies during the month of August.

BACKGROUND

Section 603 of the Compton City Charter provides that the City Council shall hold at least four (4) regular meetings each month at such times as it shall fix by ordinance or resolution. Toward that end, the City Council adopted an ordinance which added Section 2-1.2 (Regular Meetings; Adjournment) to the Compton Municipal Code, establishing that regular meetings of the City Council shall be held on the first (1^{st}) four (4) Tuesdays of each month. This Section further provides that regular meetings may be adjourned or re-adjourned to a date certain as specified in the order of adjournment.

In July 1990 and July 1991, the City Council adopted Ordinance Nos. 1,836 and 1,857, respectively, which added Section 2-1.12 (Adjournment of City Council Meetings in August) to the Compton Municipal Code, declaring that regular meetings shall be adjourned during the month of August until the first regularly scheduled meeting in September of each year.

STATEMENT OF ISSUE

Currently, pursuant to Section 2-1.12 of the Compton Municipal Code, regular meetings of the legislative bodies of the City of Compton are not conducted during the month of August each year. This adjournment of the meetings occurs early in the City's fiscal year, thus unless a special meeting is called by the Presiding Officer or a majority of the members of the legislative bodies, the conduct of the City's business does not occur until the first adjourned meeting in September. If approved, absences by City Council members will be at the

#20.

discretion of individual council members subject to Compton City Charter Section 505.

FISCAL IMPACT

The fiscal impact of the deletion of CMC Section 2.1-12 is too speculative to estimate this time.

RECOMMENDATION

The City Council has requested that this proposed Ordinance be presented for consideration and action.

CRAIG J. CORNWELL
CITY ATTORNEY

CJC:RAR:rar

#20.

ORDINANCE NO. ________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE TO DELETE SECTION 2-1.12 (ADJOURNMENT OF CITY COUNCIL MEETINGS IN AUGUST) IN ITS ENTIRETY

WHEREAS, Section 603 of the Compton City Charter provides that the City Council shall hold at least four (4) regular meetings each month at such times as it shall fix by ordinance or resolution; and

WHEREAS, the City Council adopted an ordinance which added Section 2-1.2 (Regular Meetings; Adjournment) to the Compton Municipal Code, establishing that regular meetings of the City Council shall be held on the first (1^{st}) four (4) Tuesdays of each month; and

WHEREAS, in July 1990 and July 1991, the City Council adopted Ordinance Nos. 1,836 and 1,857, respectively, which added Section 2-1.12 (Adjournment of City Council Meetings in August) to the Compton Municipal Code, declaring that regular meetings shall be adjourned during the month of August; and

WHEREAS, the City Council declares that there is a need to delete Section 2-1.12 of the Compton Municipal Code and hold regular meetings during the month of August to order to effectively and efficiently handle the business of the City.

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

Section 1. That Section 2-1.12 (Adjournment of City Council Meetings in August) of Chapter II of the Compton Municipal Code is hereby deleted in its entirety.

Section 2. The City Council declares that, should any provision, section, paragraph, sentence or word of this Ordinance hereby adopted be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Ordinance hereby adopted shall remain in full force and effect.

Section 3. That a copy of this Ordinance shall be filed in the offices of the City Clerk and all City departments and agencies.

Section 4. That this Ordinance shall take effect thirty (30) days after its adoption.

Section 5. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Ordinance and shall cause the same to be published as required by law.

ADOPTED this ____ day of ____________, 2013.

____
MAYOR OF THE CITY OF COMPTON

#20.

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton hereby certify that the foregoing Ordinance was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _______________, 2013.

That said Ordinance 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

#20.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Attorney**

RESOLUTION TITLE: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE TO DELETE SECTION 2-1.12 (ADJOURNMENT OF CITY COUNCIL MEETINGS IN AUGUST) IN ITS ENTIRETY (FIRST READING)**

Ruth Rugley	**5/30/2013 10:42:06 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/5/2013 8:57:56 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/5/2013 6:01:36 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**6/4/2013 12:21:09 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.

June 18, 2013

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **CITY ATTORNEY**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING CHANGES TO THE DEFINITION OF "2008 PROJECT" UNDER THE FACILITY LEASE AND THE TRUST AGREEMENT RELATING TO THE COMPTON PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS (REFUNDING AND VARIOUS CAPITAL PROJECTS), SERIES 2008, AND REALLOCATING MONEYS IN THE 2008 PROJECT FUND THEREFOR AND AMENDING THE FISCAL YEAR 2012-2013 BUDGET**

SUMMARY

The City desires to make changes to the definition of the projects described in the Compton Public Finance Authority Lease Revenue Bonds, Series 2008 and to reallocate certain funds remaining on deposit in the Project Fund.

BACKGROUND

On September 11, 2007, the City Council approved a resolution to provide for the issuance of a lease revenue bond to refinance outstanding certificates of participation issued in 1997, and to finance various additional projects. On March 11, 2008, the City Council and the Board of Directors of the Compton Public Finance Authority authorized the issuance of the Compton Public Finance Authority Lease Revenue Bonds, Series 2008, "Series 2008".

The Facility Lease and the Trust Agreement provide the definition of the "2008 projects" to be financed by the bonds. The City desires to make further changes to the definition of the 2008 projects and reallocate certain funds remaining on deposit in the 2008 Project Fund.

Section 6586.5 of the California Government Code provides for public input though a public hearing to solicit comments regarding the desired changes to the definition of the 2008 projects. The City Council held a public hearing with respect to the proposed changes and received evidence concerning the public benefits of the changes to the 2008 projects.

#21.

STATEMENT OF THE ISSUE

The City desires to make the following changes to the definition of the "2008 Projects" in the Facility Lease and in the Trust Agreement:

- Include the financing of improvements to the Martin Luther King Multimodal Transit Center in an additional amount not to exceed $665,000.00

- That funds received from BASE Architecture in the amount of $260,000.00 be deposited into the legal recovery fund account number 3030-000-000-3571 and then transferred to the City of Compton's Bond Trustee at US Bank.

- That the 2012-2013 FY Budget be amended as follows:

  Increase Revenue: 3030-000-000-3970………..$665,000.00
  Increase Expenditure: 3030-420-000-4295……$665,000.00

ALTERNATIVE

FISCAL IMPACT

Expenditures of the bond for the amount requested. There is no General Fund Impact.

RECOMMENDATIONS

Staff recommends that the City Council adopt the attached Resolution.

CRAIG J. CORNWELL
CITY ATTORNEY

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#21.

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING CHANGES TO THE DEFINITION OF "2008 PROJECT" UNDER THE FACILITY LEASE AND THE TRUST AGREEMENT RELATING TO THE COMPTON PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS (REFUNDING AND VARIOUS CAPITAL PROJECTS), SERIES 2008, AND REALLOCATING MONEYS IN THE 2008 PROJECT FUND THEREFOR AND AMENDING THE FISCAL YEAR 2012-2013 BUDGET

WHEREAS, on September 11, 2007, the City Council approved a resolution directing City Staff to move forward with a plan to provide for the issuance of lease revenue bonds to refinance outstanding certificates of participation issued in 1997, and to finance various additional projects; and

WHEREAS, on March 11, 2008, the City Council and the Board of Directors of the Compton Public Finance Authority (the "Authority") adopted two companion resolutions, Resolutions No. 22,536 of the City Council and Resolution No. 24 of the Board of Directors of the Authority, authorizing the issuance of the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects), Series 2008 (the "Bonds") for the purpose of (i) refinancing all of the outstanding 1997 certificates of participation and (ii) financing various additional projects; and

WHEREAS, the Facility Lease related to the Bonds (the "Facility Lease") and the Trust Agreement relating to the Bonds (the "Trust Agreement") provide the definition of the "2008 Project" to be financed by the Bonds as follows:

> ""2008 Project" means the financing of various capital projects of the City, and payment of any costs associated with the financing of said projects, including, but not limited to, improvements to Compton City Hall, design, construction and equipping a senior citizen support center, various improvements to the City's parks, construction of a transit center parking structure, purchase and installation of police surveillance cameras throughout the City and various other capital improvements and equipment within the City, as the same may be changed from time to time by the City by filing a Certificate of the City with the Trustee, together with an approving resolution of the City Council."

WHEREAS, under such definition of the "2008 Project", the City Council has the flexibility to change the projects as described therein; and

WHEREAS, Section 6586.5 of the Government Code provides for public input through a public hearing to solicit comments regarding changes to the definition of the "2008 Project"; and

WHEREAS, pursuant to its Resolution No. 22,901, in 2009, the City Council made certain changes to the definition of "2008 Project" and reallocated moneys in the 2008 Project Fund established under the Trust Agreement for the purpose of financing those changes; and

WHEREAS, on November 8, 2011, the City Council adopted Resolution 23,422 making additional modifications to the 2008 Project Fund including an allocation for the financing of improvements to the Martin Luther King Multimodal Transit Center.

WHEREAS, the City Council desires to make further changes to the definition of "2008 Project" and reallocate certain funds remaining on deposit in the 2008 Project Fund established under the Trust Agreement to accomplish those further changes; and

WHEREAS, after notice duly published in accordance with law, this City Council held a public hearing on this date with respect to the proposed changes to the definition of "2008 Project" described herein and received evidence concerning the public benefits therefrom.

#21.

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

SECTION 1. That the above recitals, and each of them, are true and correct. The City Council hereby finds that the changes to the definition described in the Recitals hereof from monies on deposit in the 2008 Project Fund established under the Trust Agreement will result in significant public benefits to the constituents of the City, including employment benefits from undertaking the projects in a timely fashion and more efficient delivery of City services funded by the City's General Fund to residential and commercial development within the City.

SECTION 2. That the City Council of the City of Compton hereby changes the definition of "2008 Project" in the Facility Lease and in the Trust Agreement to include the following:

> The financing of improvements to the Martin Luther King Multimodal Transit Center in an additional amount not-to-exceed $665,000.00.

SECTION 3. That the funds in the amount of $260,000.00 from BASE Architecture be deposited into the legal recovery fund account number 3030-000-000-3571 and then transferred to the City of Compton's Bond Trustee at US Bank.

SECTION 4. That the 2012-2013 FY Budget be amended as follows:

INCREASE REVENUE

3030 -000-000-3970 …………………………….. $665,000.00

INCREASE EXPENDITURE

3030-420-000-4295……………………………… $665,000.00

SECTION 5. The City Manager is hereby authorized and directed to execute, deliver, and file with the Trustee under the Trust Agreement a Certificate of the City regarding the changes of the definition of "2008 Project" approved hereby, together with a copy of this Resolution, all as described in Exhibit C to the Facility Lease and in Section 1.01 of the Trust Agreement.

SECTION 6. At such time or times as he deems appropriate, the City Manager is hereby authorized and directed to execute and deliver to the Trustee, one or more Written Requests of the City as described in Section 3.02 of the Trust Agreement, that the City Manager may deem necessary or advisable in connection with disbursements for the item listed in Section 2 hereof, subject to and in accordance with the terms and provisions of this Resolution, the Trust Agreement, and the Facility Lease and in order to effectuate the purposes of this Resolution.

SECTION 7. That a copy of this Resolution shall be filed with the Offices of the City Clerk, City Controller, City Attorney and City Manager.

SECTION 8. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of ____________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the city Clerk at a regular meeting thereof held on the ______ day of ______________, 2013.

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

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

____
CITY CLERK OF THE CITY OF COMPTON

#22.

June 18, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: MONICA TURNER, RISK MANAGER
CITY ATTORNEY'S OFFICE

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE SOFTWARE LICENSE AND MAINTENANCE AGREEMENT WITH AON ESOLUTIONS FOR PROVISION OF THE RISK MANAGEMENT IVOS DATABASE AND INSTALLATION OF THE ELECTRONIC MEDICAL BILL REVIEW INTERFACE SYSTEM FOR BILL PAY AND REVIEW

SUMMARY

The City Council will consider adopting a Resolution authorizing the City Manager to renew the Software License and Maintenance Agreement with Aon eSolutions, Inc. ("Aon") for the provision of the Risk Management database for workers' compensation and general liability claims. Also, there is a need for the implementation of an electronic medical bill review interface system, pursuant to statutory law.

BACKGROUND

Aon currently provide the computer database used by the Risk Management Division of the City Attorney's Office to administer workers' compensation and liability claims. All medical, legal, financial and statistical data for claims filed, whether workers' compensation or liability, are supported by Aon's "iVOS" system.

STATEMENT OF ISSUE

Use of the state-of-the-art "iVOS" web-based program provided by Aon has had an invaluable impact on the Risk Management Division's ability to provide more efficient, effective and accountable service to the City as concerns workers' compensation and liability issues. Thus, continued utilization of this program and service is highly recommended. Also, by statute, claims administrators are now required to accept electronic bills and may develop their own capacity to accept electronic bills or may contract with a vendor to perform the function.

The agreement with Aon for "iVOS" database services expired on December 17, 2012. It is recommended by staff that the new agreement extend for four (4) years (December 18, 2012 through December 17, 2016), with two (2) one-year options for the sake of continuity of work flow and production.

FINANCIAL IMPACT

The maintenance fee for the "iVOS" database is currently at the monthly rate of $4,234.76 for five (5) end users. Aon is offering a rate over a 6-year period that will be less than the current charges, to wit:

Annual Support and Maintenance Fees (paid monthly):

Year 1 -- $31,040.99
Year 2 -- $32,593.04
Year 3 -- $34,222.69
Year 4 -- $35,933.83

Option Year 5 -- $37,730.52
Option Year 6 -- $39,617.04

The electronic medical bill review interface system was purchased by Risk Management in 2004; however, installation was never completed. Aon estimates a one-time fee of $8,750.00 for installation.

Funds for provision of monthly maintenance and support and for the electronic bill review interface for Year 1 – totaling $39,790.99 - are available in the 2012-2013 Fiscal Year budget of the City Attorney's Office budget in Account No. 6300 420 000 4262. Funds to pay for the remaining term of the agreement, and any extension option that may be exercised, will be allocated in future City budgets.

#22.

RECOMMENDATION

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

**MONICA TURNER
RISK MANAGER**

**CRAIG CORNWELL
CITY ATTORNEY**

APPROVED FOR FORWARDING:

**G. HAROLD DUFFY
CITY MANAGER**

GHD:CJC:MT:RAR:rar

#22.

RESOLUTION NO. ___________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE SOFTWARE LICENSE AND MAINTENANCE AGREEMENT WITH AON ESOLUTIONS FOR PROVISION OF THE RISK MANAGEMENT IVOS DATABASE AND INSTALLATION OF THE ELECTRONIC MEDICAL BILL REVIEW INTERFACE SYSTEM FOR BILL PAY AND REVIEW

WHEREAS, the City of Compton is self-insured for workers' compensation and general liability; and

WHEREAS, the City's self-insured program is administered through the Aon eSolutions, Inc. "iVOS" database; and

WHEREAS, use of the state-of-the-art "iVOS" web-based program provided by Aon eSolutions, Inc. has had an invaluable impact on the Risk Management Division's ability to provide more efficient, effective and accountable service to the City as concerns workers' compensation and liability issues, thus continued utilization of this program and service is highly recommended; and

WHEREAS, by statute, claims administrators are now required to accept electronic bills and may contract with a vendor to perform the function; and

WHEREAS, the current agreement with Aon eSolutions, Inc. expired on December 17, 2012, and staff recommends that the License and Maintenance Agreement with Aon eSolutions, Inc. be renewed for a period of four (4) years with two (2) one-year options for the provision of the City's self-insured database, in addition to installation of that statutorily required electronic medical bill review interface program; and

WHEREAS, the annual maintenance and support fees for the initial term of the agreement is $31,040.99 and the one-time installation fee for the electronic medical bill review system is estimated at $8,750.00.

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

SECTION 1. That the City Manager, on the advice and consent of the City Attorney, is authorized to renew the Software License and Maintenance Agreement with Aon eSolutions, Inc. for provision of the City's self-insured database and authorize the one-time installation of the electronic medical bill review interface system.

SECTION 2. That said agreement shall be for a term of forty-eight (48) months (December 18, 2012 through December 17, 2016) with authority to enter into up to two (2) one-year consecutive renewal options.

SECTION 3. That a purchase order is authorized to be issued to Aon eSolutions, Inc. in an amount sufficient to pay the annual maintenance fees of $31,040.99 incurred December 2012 through December 2013 and the one-time installation fee for installation of the electronic medical bill review system at $8,750.00.

SECTION 4. That the funds for these services for are available in the 2012-2013 Fiscal Year budget in Account Number 6300 420 000 4262.

#22.

SECTION 5. Funds to pay for the remaining term of the agreement, and any extension option that may be exercised, will be allocated in future City budgets.

SECTION 6. That a certified copy of this resolution will be filed in the offices of the City Manager, City Attorney, City Controller and the City Clerk.

SECTION 7. That the Mayor shall sign and the City Clerk shall attest to this Resolution.

ADOPTED this _____ day of ___________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the ____ day of __________________, 2013.

That said Resolution was adopted by the following vote:

AYES: COUNCIL MEMBERS–
NOES: COUNCIL MEMBERS–
ABSENT: COUNCIL MEMBERS–
ABSTAINS: COUNCIL MEMBERS–

____
CITY CLERK OF THE CITY OF COMPTON

AON #22.

Software License and Services Agreement

City of Compton and Aon eSolutions, Inc.

This Software License and Services Agreement ("**Agreement**") is made effective as of December 8, 2012 ("**Effective Date**") by and between **Aon eSolutions, Inc.** ("**Aon**") with main offices located at 3350 Riverwood Parkway, Suite 80, 5th Floor, Atlanta, GA 30339, and City of Compton ("**Customer**") with offices located at 205 South Willowbrook Avenue, Compton, California 90220.

This Agreement consists of this signature page, the attached Terms and Conditions (**"Terms and Conditions"**) and the following attached schedules ("**Schedules**") that are listed below:

Schedules

Schedule A: Statement of Work ("SOW")

Schedule B: Fee Schedule

By executing this Agreement, Customer acknowledges that it has reviewed the terms and conditions incorporated into this Agreement and agrees to be legally bound by the same. The parties hereby cause this Agreement to be executed by their respective duly authorized representatives effective as of the last date written below.

#22.

Accepted and Agreed:

City of Compton

By: ____

Name: G. Harold Duffey

Title: City Manager

Date: ______________________________________

Address:

205 South Willowbrook Avenue
Compton, California 90220
Telephone: 310-605-5585
Fax: 310-631-0322

Aon eSolutions, Inc.

By: ____

Name: Doug Wilson

Title: Global Director of Operations & Administration

Date:_____________________________________

Address:

3350 Riverwood Parkway
Suite 80, 5th Floor
Atlanta, GA 30339
Telephone : 770-308-5425
Fax: 770-308-5601

Approved as to form:

By: ____________________________________

Name: Craig J. Cornwell

Title: City Attorney

Date: __________________________________

Attest:

By: ____________________________________

Name: Alita Godwin

Title: City Clerk

Date: __________________________________

TERMS AND CONDITIONS

1. GENERAL. The following terms and conditions **("Terms and Conditions"**) govern the terms that are common to this Agreement, including all Schedules. To the extent there is a conflict between the Terms and Conditions and any Schedule, Exhibit or Statement of Work, the order of precedence of documents constituting this Agreement will be as follows: (a) any Statements of Work; (b) Terms and Conditions; (c) Schedules; (d) attachments or exhibits to Schedules; and (e) any other document incorporated herein or any Addenda. Any Customer Affiliate will have the right, at any time during the term of this Agreement, including any renewal term, to purchase and use Services covered by this Agreement under the terms and conditions set forth in this Agreement. Any new purchases will be arranged by executing a new Statement of Work to be signed by the Customer and Aon. The term "**Customer Affiliate**" means any entity controlling, controlled by or under common control with, Customer or which following a merger, consolidation, demutualization or reorganization involving Customer is controlled by an entity that controlled Customer or that Customer controlled or that was under common control with Customer, in each case, prior to such merger, consolidation, demutualization or reorganization. Customer hereby agrees to be responsible for (i) ensuring that all Customer Affiliates are bound by the terms and conditions of this Agreement and (ii) any breaches of this Agreement by such Customer Affiliates. Aon will invoice Customer for any software or services purchased under this Agreement by a Customer Affiliate as set forth in the Statement of Work. The foregoing will not be interpreted to allow Customer to exceed the concurrent user license restrictions set forth in Section 3 and the SOW without an amendment to this Agreement.

2. DEFINITIONS. As used in this Agreement, and in addition to any other terms defined in this Agreement, the following terms will have the following meanings:

2.1. **"Business Day"** collectively means (1) Monday through Friday of each week, other than days on which banks in Marietta, Georgia, U.S.A, are closed for banking and (2) any other date designated by Aon to Customer from time-to-time as such in advance in writing.

2.2. **"Change Request"** has the meaning set forth in Section 9.3;

2.3. "**Confidential Information**" means any information or material in tangible or intangible form that: (i) is confidential and proprietary to the disclosing party, possesses an element of value to the disclosing party, is not generally known to the disclosing party's competitors, and would damage the disclosing party if disclosed; or (ii) the disclosing party obtains from any third party which the disclosing party treats as proprietary whether or not owned by the disclosing party;

2.4. "**Customer Content**" means any information, Customer Data, materials, software, files, text, graphics, photographs, audio visual elements, music, illustrations, video or other content that is proprietary to Customer and has been loaded into the Software;

2.5. "**Customer Data**" means any all data and information related to the data provided to Aon by or on behalf of Customer for processing, and any and all updates or modifications thereto or Derivative Works thereof made by Customer or Aon;

2.6. "**Customer Materials**" has the meaning set forth in Section 12.4;

2.7. "**Customer Software**" has the meaning set forth in Section 12.4;

2.8. **"Customer Support Services"** has the meaning set forth in Section 10.1(a);

2.9. "**Derivative Works**" means any suggestions, contributions, enhancements, improvements, modifications or derivative works to the referenced materials;

2.10. "**Documentation**" means the user documentation and any other operating, training, and reference manuals relating to the use of the Software, as supplied by Aon to Customer, as well as any Derivative Works thereto;

2.11. "**Intellectual Property Rights**" means all rights in and to any of the following: trade secrets, patents, copyrights, trademarks, service marks, URLs, trade dress, brand features, know-how, moral rights, contract rights, code (executable, source and other) and similar rights of any type under the laws of any applicable governmental authority, or international treaty, including, without limitation, all applications and registrations relating to any of the foregoing;

2.12. "**Production Use**" means the capability to use, or the actual use of, the Software in a live environment (i.e., open new claims, make payments, set reserves, and process transactions) following implementation of Customer requirements detailed in the SOW;

2.13. **"Project"** means the scope of work to be performed by Aon as set forth in the Statement of Work.

2.14. **"Project Plan"** means the methodology for completing the Project to be agreed by the parties at the initial requirements meeting following execution of the Agreement.

2.15. "**Services**" is the collective reference to all services Aon performs for Customer under this Agreement and includes without limitation, the services specifically described in Sections 9 and 10;

2.16. "**Software**" means the object code to Aon's proprietary software products listed in Section I.A. of the Statement of Work in Schedule A, and any modified, updated or enhanced versions of, or additional modules related to, such software products that Aon provides to Customer either pursuant to the maintenance and support provisions or pursuant to a new Statement of Work, as well as the Documentation for such software products, including any Derivative Works of such software and documentation;

2.17. "**Specifications**" means the software specifications set forth in the Documentation and in the Statement of Work for the relevant Software product;

2.18. "**Statement of Work**" or "**SOW**" means the statement of work set forth in Schedule A to this Agreement as well as any changes or amendment to such SOW; and

2.19. "**Term**" has the meaning set forth in Section 14.1 of this Agreement.

3. LICENSE RIGHTS & RESTRICTIONS ON USE.

License Grant. Subject to the terms and conditions of this Agreement, including, but not limited to, payment by Customer of the applicable fees set forth on Schedule B, Aon grants to Customer a limited, non-exclusive, non-sublicensable, non-transferable (except as permitted under Section 17.6) license to access and use the Software that is located on the client sever in accordance with the terms of this Agreement for the length of the Term. Aon authorizes Customer to 1) use the Software solely for Customer's internal business purposes and only for the number of concurrent users indicated herein, 2) make one (1) copy of each licensed Software module for back-up, testing and archival purposes, and 3) make a reasonable number of copies of Documentation provided by Aon with the Software for use internally by Customer in connection with Customer's exercise of the foregoing rights.

3.1. Other Authorized Users.

a) *Third-Party Vendors.* Aon acknowledges and agrees that Customer may use certain third-party vendors for purposes of performing some of Customer's internal business processes ("**Third-Party Vendors**"). Customer may allow its Third-Party Vendors (other than Aon's direct competitors) to access and use the Software subject to the terms and conditions of this Agreement solely for Customer's internal business processing services, subject to the following conditions: (i) Customer agrees to be fully responsible for all use of the Software by its Third-Party Vendors; (ii) Customer will ensure compliance by Third-Party Vendors of the terms and conditions of this Agreement, including without limitation, Section 6 of this Agreement (Confidentiality); and (iii) upon termination of the licenses under this Agreement, Customer will inform such Third-Party Vendors that their access rights have been terminated and will ensure that all access to, and use of, the Software by such Third-Party Vendors ceases immediately. Customer will indemnify and hold Aon, its individual directors, officers, employees and agents ("**Indemnified Party**"), harmless from and against any claims, actions or proceedings, liabilities, obligations, losses, and damages, amounts paid in settlement, interest, costs and expenses ("**Losses**") incurred or suffered by any Indemnified Party to the extent that the Losses arise by reason of, or result from, in whole or in part, the acts or omissions of a Third-Party Vendor who may host the Software on behalf of Customer. Aon is not responsible for any problems arising with the Software as a result of being hosted by a Third-Party Vendor.

3.2. Provisioning of Account. After execution of this Agreement, during the electronic provisioning of Customer's account, Customer may be presented with the requirement to "agree" to a click-through agreement pertaining to "License and Services Agreement" before Customer's account can be successfully provisioned. Aon hereby expressly agrees that upon execution of this Agreement such "License and Services Agreement" will be considered null and void and will not apply in any manner to this Agreement.

3.3. Restrictions on Use. Unless otherwise expressly authorized in this Agreement, Customer will not, and will ensure that its end-users will not: (a) modify, adapt, alter, translate, or create derivative works from the Software or Documentation; (b) merge the Software or Documentation with any other software, products or services; (c) sublicense, resell, re-distribute, lease, rent, loan, disclose or otherwise transfer the Software or Documentation or any other associated products and services to any third party; (d) reverse engineer, decompile, disassemble, or otherwise attempt to derive the source or object code of the Software or Documentation; (e) use the Software or Documentation to provide any facility management, service bureau or similar services to third parties, permit third parties to remotely access and use the Software or Documentation or use the Software or Documentation to develop a product line that is similar to the Software or Documentation; (f) publish or share with any third party any results of any benchmark or performance tests run on the Software or Documentation or component thereof; or (g) otherwise use or copy the Software or Documentation except as expressly allowed under this Agreement.

3.4. Proprietary Rights. As between the parties, and subject to the terms and conditions of this Agreement and the applicable Statement of Work, Aon and its third-party suppliers will retain ownership of all Intellectual Property Rights in the Software, and any and all Derivative Works made to the Software or any part thereof, as well as all Work Product provided to Customer ("**Aon Proprietary Technology**"). Customer acquires no rights to Aon Proprietary Technology except for the licensed interests granted under this Agreement or any SOW. The term "**Work Product**" means all other materials, reports, manuals, visual aids, documentation, ideas, concepts, techniques, inventions, processes, or works of authorship developed, provided or created by Aon or its employees or contractors during the course of performing work for Customer (excluding any Customer Data or Derivative Works thereof). Customer also acknowledges that the Aon Proprietary Technology contains Confidential Information belonging to Aon and its third-party suppliers, and that nothing herein gives Customer any right, title or interest in such Aon Proprietary Technology except as otherwise expressly set forth in this Agreement or in any SOW. Customer acknowledges and agrees that Aon may use, without restriction, all suggestions, improvements and ideas concerning any part of the Software or Intellectual Property Rights therein that may be communicated to Aon by Customer. Customer agrees to inform Aon immediately of any infringement or other improper action with respect to Aon's Confidential Information, the Software or the Intellectual Property Rights therein that comes to Customer's attention.

3.5. Rights Reserved. Title, ownership rights, and all Intellectual Property Rights in and to the Software will remain the sole property of Aon or its suppliers. Customer acknowledges that the Software in source code form remains Confidential Information or a trade secret of Aon and/or its suppliers, that the source code is not covered by any license hereunder and will not be provided by Aon. Except as set forth in this Agreement, no right or implied license or right of any kind is granted to Customer, regarding the Software or Documentation.

3.6. Data Protection. Customer acknowledges that data losses are a function of Customer's choices regarding backup and archive processes with respect to its usage of the Software. Customer will take appropriate steps, both before installation of the Software and at all times thereafter, to back up and protect Customer's own data and programs and to protect Customer's equipment from any damage. Customer is solely responsible for reconstruction, replacement, repair, or re-creation of lost programs, data, or equipment.

3.7. Audit Rights. During the Term and for a period of one (1) year following its expiration or earlier termination, Customer will maintain and make available to Aon records sufficient to permit Aon or an independent auditor retained by Aon to verify, upon ten (10) days' written notice, Customer's compliance with the terms of this Agreement; provided, that such audit will be performed during regular business hours and subject to Customer's reasonable confidentiality requirements. If such verification process reveals any noncompliance by Customer or affiliates of this Agreement, Customer will pay the applicable License Fees and other fees and will reimburse Aon for the reasonable costs and expenses of such verification process (including the fees of an independent auditor) incurred by Aon, and Customer will promptly cure, and will cause Affiliates to promptly cure, any such noncompliance; provided, however, that the obligations under this section are not a waiver of Aon's termination rights or other rights under this Agreement, at law, in equity, or otherwise.

4. FEES AND PAYMENT TERMS.

4.1. Payments. Customer will pay to Aon all fees due to Aon under this Agreement, including without limitation, any Expenses (as defined below) incurred, as set forth on Schedule B in U.S. dollars ("**Fees**"). Unless otherwise set forth in this Agreement, all Fees will be due within thirty (30) days after the date of the invoice for same. All Fees payable under this Agreement are fully earned, non-cancelable and the sums paid are non-refundable.

4.2. Expenses. Should Customer request training at any time during the term of this Agreement, Customer will reimburse Aon for all reasonable expenses that are pre-approved by the Customer, including travel-related expenses reasonably incurred in rendering Services to fulfill this Agreement.

4.3. Overdue Accounts. A late fee may be charged by Aon on Fees and Expenses not paid to Aon by Customer within thirty (30) days after receipt of the invoice for same at the lesser of the maximum amount chargeable by law or one and one-half percent (1½%) per month commencing with the date payment was due. Customer will be liable for all costs of collection of such undisputed, overdue amounts including, without limitation, all court costs and attorneys' fees incurred by Aon.

4.4. Taxes. The Fees and other charges do not include any applicable sales, use, and other taxes (including value added tax) and all applicable export and import fees, customs duties and similar charges, and Customer will also be responsible for the payment of all such taxes (other than taxes based on Aon's income), fees, duties, and charges, and any related penalties and interest, which will be above and beyond, and in addition to, the Fees, arising from the payment of the Fees and from the delivery or license of the Software and Services to Customer, whether such taxes are assessed before or retroactively following the issue of any invoice by Aon. Customer will make all payments of the Fees to Aon free and clear of, and without reduction for, any withholding taxes; any such taxes imposed on payments of the Fees to Aon will be Customer's sole responsibility, and, if requested, Customer will provide Aon with official receipts issued by the appropriate taxing authority, or such other evidence as Aon may reasonably request, to establish that such taxes have been paid. If Customer is required by law to deduct or withhold any tax or other amount from any sum payable to Aon, then the sum payable by Customer will be increased to the extent necessary to ensure that after such tax or other amount has been deducted, withheld or paid, Aon receives on the due date and retains (free from any liability in respect of any such deduction, withholding or payment) a net sum equal to what it would have received and so retained had no such deduction, withholding or payment been required or made. Customer will also pay any interest or penalties on such tax; provided, however, Customer will not be responsible for any interest or penalties resulting from Aon's failure to forward tax funds received from Customer to the applicable tax authority.

4.5. Offset. Fees and Expenses due from Customer under this Agreement may not be withheld or offset by Customer against other amounts for any reason.

5. CUSTOMER DATA. Customer is the sole and exclusive owner of all Customer Data and all Intellectual Property Rights in the foregoing, whether or not provided to any other party under this Agreement. Customer Data will be part of Customer's Confidential Information under this Agreement. Aon will not use Customer Data for any purpose other than that of providing the Software or rendering the Services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit Customer Data. Aon will not possess or assert any lien or other right against or to Customer Data. Customer assumes full responsibility for its employees, vendors, representatives, agents, and its clients ("**Customer Representatives**") with respect to the transmission of Customer Data sent directly by Customer to Aon. Customer must ensure that all Customer Representatives provide such Customer Data to Aon via either an encryption process or a secure transport mechanism. Customer assumes full responsibility to safeguard against unauthorized access and provide appropriate protection of its Customer Data prior to and during the transmission or transfer of its Customer Data to Aon. Customer and Aon acknowledge that the accuracy of delivering the Software and Services depends upon the accuracy and completeness of the Customer Data and/or business requirements needed to deliver the Software and Services by Aon. Customer accepts sole responsibility for errors in the Software or Services to the extent resulting from inaccurate or incomplete Customer Data supplied to Aon by Customer or Customer Representatives

6. CONFIDENTIALITY.

6.1. Disclosure of Confidential Information. Neither party may use or disclose any Confidential Information of the other party, except on a need-to-know basis for purposes of performing its obligations under this Agreement. This Agreement and its terms are Confidential Information. Disclosure of Confidential Information to employees of the parties hereto will be limited to those who have a need to know such information in connection with carrying out the obligations of that party pursuant to this Agreement. Customer acknowledges that the Software and Documentation are the Confidential Information of Aon and/or Aon's licensors, and Customer agrees to treat such information as Confidential Information in accordance with the terms of this Agreement. A "party" (as used in this Section 6) will be deemed to include each party's respective subsidiaries, affiliates and sister companies or any other organization in which such party has an ownership stake or over which such party can exert control, each of which such party will cause to observe the confidentiality requirements of this Agreement with respect to the information disclosed by the other party under this Agreement. The receiving party will only allow its independent contractors to receive the Confidential Information if such contractors execute nondisclosure agreements with Confidential Information restrictions no less protective than those of this Agreement; provided that such contractors are not competitors of Aon.

6.2. Legally Required Disclosures. If a receiving party is legally compelled to disclose any Confidential Information of the disclosing party (whether by oral question, deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process or by rule, regulation or other applicable law), such receiving party will promptly notify the disclosing party of the same before any disclosure is made so that the disclosing party may, at its discretion, seek a protective order or other appropriate remedy or may waive compliance with the confidentiality terms of this Agreement. If such protective order or other remedy is not obtained, or if the disclosing party waives compliance with the provisions hereof, then only that portion of the Confidential Information that it is legally required to be disclosed (as advised by a written opinion of counsel) may be disclosed.

6.3. Exclusions to Confidential Information. For purposes of this Agreement, "**Confidential Information**" will not include information or material which (a) enters the public domain (other than as a result of a breach of this Agreement); (b) was in the receiving party's possession prior to its receipt from the disclosing party; (c) is independently developed by the receiving party without the use of Confidential Information; or (d) is obtained by the receiving party from a third party under no obligation of confidentiality to the disclosing party. The receiving party will be entitled to use for any purpose any Residual Information obtained as a result of this Agreement, provided that the receiving party will not disclose Confidential Information of the disclosing party except as expressly permitted pursuant to the terms of this Agreement. The term "**Residual Information**" means the ideas, know-how and techniques retained in the unaided memories of the receiving party's personnel who have had access to the Confidential Information of the disclosing party in the course of this Agreement. The receiving party will not have any obligation to limit or restrict the assignment of such persons or to pay royalties for any work resulting from the use of Residual Information. However, this sub-paragraph will not be deemed to grant to the receiving party a license under the disclosing party's copyrights or patents.

6.4. Duration. The confidentiality obligations set forth in this Section 6 will continue indefinitely for so long as the Confidential Information is a trade secret under applicable law and will continue for three (3) years following termination or expiration of this Agreement with respect to Confidential Information that does not rise to the level of a trade secret.

6.5. Injunctive Relief. The receiving party acknowledges that disclosure of any Confidential Information or trade secret by it or its employees will give rise to irreparable injury to the disclosing party or the owner of such information, not adequately compensated by damages. Accordingly, the disclosing party will be entitled to seek equitable relief, including injunctive relief and specific performance against the breach or threatened breach of the undertakings in this Section 6, in addition to any other legal remedies which may be available. The receiving party further acknowledges and agrees that the covenants contained in this Section 6 are necessary for the protection of the disclosing party's legitimate business interests and are reasonable in scope and content.

7. **PROTECTIVE LEGENDS.** Customer will not alter, distort, or remove any confidential, proprietary, copyright, trademark, trade secret, or patent legends from any copy of the Software or associated Documentation.

8. **TRADEMARKS AND TRADE NAMES.** Nothing in this Agreement confers upon either party any right to use the other party's trade names and trademarks, except for permitted license use in accordance with this Agreement. All use of such marks by either party will inure to the benefit of the owner of such marks, use of which will be subject to specifications controlled by the owner.

9. **PROFESSIONAL SERVICES.**

9.1. **Services Generally.** Subject to payment by Customer of the corresponding fees detailed in Schedule B (Fee Schedule), Aon will provide Customer with the services listed below in (a) through (d) (collectively "**Services**"). Aon has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed the Services to be performed by Aon hereunder unless otherwise provided herein. Aon may, as it deems appropriate, use subcontractors for all or any portion of the Services. Aon may at any time remove and replace any such subcontractors.

a) *Implementation Services*. Aon will provide the implementation services described in the Statement of Work ("**SOW**") attached hereto as Schedule A ("**Implementation Services**").

b) *Training Services*. Should Customer request training at any time during the term of this Agreement, Aon will provide the training services requested to Customer as described in a **"New Statement of Work"** agreed upon by Customer. **("Training Services").**

c) *Maintenance Services*. Aon will provide the customer support and maintenance services described in detail in Section 10.

d) *Data Conversion Services*. Should Customer request data conversion services at any time during the term of this Agreement, Aon will provide the requested data conversion services as described in a **"New Statement of Work"** ("**Data Conversion**").

e) *Transitional Services.* At Customer's request and expense on a time-and-materials basis, Aon will provide Customer with reasonable assistance in the winding down of the Services and/or transition of such Services to a new service provider in the event of any termination or expiration of this Agreement.

9.2. **Additional Services**. In the future, Customer may request Aon to submit to Customer a written proposal for the provision of professional services in addition to those Services identified in the SOW in Schedule A. Aon may thereupon submit to Customer a written proposal regarding such services, specifying in detail the services to be rendered, including: (a) a description of the work product and deliverables to be delivered; (b) the proposed performance/milestone schedule; and (c) proposed fees and payment schedule (collectively, the "**Proposal**"). The parties may create a binding agreement with respect to such services subject to the terms and conditions of this Agreement by specifying the work information contained in the Proposal in a written Statement of Work signed by both parties (a "**New Statement of Work**"). Once the New Statement of Work is signed by both parties it will be incorporated herein by reference and made a part of this Agreement. No New Statement of Work will become effective until it has been executed by an authorized representative of both Aon and Customer. Any services detailed in a New Statement of Work will be deemed to be "Services" under this Agreement

9.3. **Change Control Procedures**. Either party may during the implementation of the Project (as detailed in the SOW) request a change to any aspect of the Project Plan ("**Change Request**"). Such Change Request is to be delivered by the requesting party's Project manager (a "Project Manager") to the other party's Project Manager. For the avoidance of doubt, any redefinition of the scope of services by Customer, or the provision by Customer of new details in respect of the implementation, will be deemed to constitute a Change Request. A Change Request must contain a detailed and complete explanation of the proposed changes. If there is any dispute as to whether a change requested by Customer is within or beyond the scope of the Project Plan, Aon will not be obliged to proceed with that change until that dispute is resolved and

will proceed in accordance with the Project Plan as it then exists. If a Change Request is executed by authorized signatories of both parties, Aon will perform the services detailed in the Change Request in accordance with the terms and conditions of this Agreement (subject to any specific terms of the Change Request itself), and such executed Change Request will constitute an amendment to this Agreement and the applicable Statement of Work.
Aon understands that prior to implementation of the provisions of Sections 9.2 and/or 9.3; Customer may be required to obtain authorization from its legislative governing body.

9.4. Customer Obligations.

a) Customer will on a timely basis and at no charge to Aon, maintain a designated representative who will be authorized to act as the primary point of contact for Aon in dealing with Customer with respect to each party's obligations under this Agreement and issue all consents or approvals and make all requests on behalf of Customer.

b) To facilitate provision of the Services hereunder, Customer will afford Aon and its employees, authorized agents or representatives, during Customer's normal business hours and without charge, reasonable access to, and/or use of, (by modem or otherwise) Customer's facilities, equipment, and data. In addition, Customer agrees to provide reasonable work space, general office supplies, equipment and appropriate computer access and time for Aon employees and agents while working at Customer's facilities. Any additional or unusual materials needed by Aon in connection with the performance of the Services will be provided as specified in the corresponding SOW.

c) Customer agrees to perform all tasks assigned to Customer as set forth in this Agreement, the SOW, or any Project Plan or as reasonably requested by Aon, and provide all assistance and cooperation to Aon in order to accomplish timely and efficiently the Services. Aon will not be deemed in breach of this Agreement or SOW in the event Aon's failure to meet the responsibilities and time schedules set forth in the SOW or any Project Plan is caused by Customer's failure to meet (or delay in) its responsibilities and time schedules set forth in the applicable SOW, this Agreement or as otherwise requested by Aon. In the event of any such failure or delay by Customer, (i) all of Aon's time frames, milestones, and/or deadlines set forth in any SOW or Project Plan will be extended by the product of the number of days of Customer's failure multiplied by two (2); and (ii) Customer will continue to make timely payments to Aon as set forth in this Agreement and the applicable SOW or Schedule B as if all time frames, schedules, or deadlines had been completed by Aon. Alternatively, in the event that Aon has made a commercially reasonable request and Customer has not responded promptly with the requested information, Aon may issue a "Final 30-Day Project Notice" ("Final Notice") to Customer. If Customer does not respond as requested to the Final Notice, Customer agrees that Aon will be relieved of any further obligations that have not been completed under the SOW ("Early Expiration"). In addition, all Implementation Services Fees (as defined in Schedule B) associated with the SOW will be considered earned in full as of the expiration of the thirty (30) day period. Any and all Services requested by Customer following the expiration of the aforementioned thirty (30) day period will require Customer and Aon to execute a new SOW, and Customer will be responsible for any additional Implementation Services Fees contemplated there under, even if listed in the original SOW.

#22.

10. CUSTOMER SUPPORT SERVICES.

10.1. Support and Maintenance Services.

a) *Generally*. Subject to the terms and conditions of this Agreement, Aon will provide support and maintenance in order to resolve any failure of the Software to operate in accordance with the Specifications as detailed in this Section 10 ("**Customer Support Services**"). If the Software does not perform substantially in accordance with the Specifications, Aon will use commercially reasonable efforts to correct the failure to so perform (including providing a work around). The correction may result in a modification of the Software. Such correction may be included in a subsequent release of the Software. Customer Support Services typically includes but is not limited to: functional or usage support of the application, training, existing report modification, customized or hard copy documentation, data scrubbing, but generally excludes researching Customer requests, researching and fixing anomalies caused by other vendors, making changes resulting from internal Customer business practices, enhancing system configuration and other similar tasks that are requested or required, but are outside of Aon's control. Because Customer has no rights in the source code version of the Software, and may only use the object code version of the Software, Customer may only maintain the Software at the administrative level. Customer is prohibited from attempting to support the Software (either itself or through a third party) in any way that would require access to the source code of the Software or would require any reverse engineering, reverse assembly or disassembly of the Software. Aon currently is the only entity authorized to support the Software at the code level and does not provide any of its customers the right to access the source code in order to support the Software.

b) *Support Hours Purchased*. Customer will receive an unlimited number of Customer Support Hours on an annual basis subject to payment of the Support Fees for the Software set forth in Schedule B during the times detailed below.

c) *Access to Data and Computers*. Customer will, at its own expense, provide remote access to Aon; both to the front end of the application via Internet browser and to the application/database servers, if needed, for Aon's use in providing the Customer Support Services. Aon will at all times have reasonable access to provide the Customer Support Services. Aon will perform the Customer Support Services in a manner that minimizes interruptions in the availability or functioning of the Software. If Aon needs access to Customer's servers in order to perform the Customer Support Services, Aon will promptly notify Customer, and Aon's response time obligations under this section will commence when Customer makes such remote access reasonably available to Aon.

d) *Patches and Releases*. During each annual period for which Customer has paid the applicable Customer Support Services Fees as defined in Schedule B) for the Software, Aon will provide Customer with, when and if available, Patches and Releases (as both those terms are defined below) for the Software, which are provided at no additional charge to Aon's customers then receiving Customer Support Services for the Software. The term "Patch" means, if and when available, a change to the Software that may include patches, fixes, minor updates and error corrections, which Aon generally provides to its customers who receive customer support services. The term "Release" means a new release of the Software that may include fixes, error corrections, updates or enhancements to existing functionality of the base software, enhancements to the optional software modules customers may or may not have purchased, or add entirely new functionality, which Aon generally provides to its customers who receive customer support services. Patches and Releases are provided at Aon's discretion and do not include any Optional Functionality (as defined below) that Aon licenses separately for an additional fee. Any Patches or Releases made available by Aon will be delivered to Customer, or made available to Customer for download. Customer will be responsible for copying, downloading and installing the Patches and Releases

e) *Optional Functionality*. When Aon develops certain new pieces of functionality for its Software, which is offered to all of its customers as an optional, fee-bearing module, interface, report or other format ("**Optional Functionality**"), such Optional Functionality is often delivered within a Patch or Release to Customer as part of Customer Support Services. Although the Optional Functionality is often included within the Patch or Release delivery, Customer has no rights to access or use any Optional Functionality that may be provided with a new Patch or Release unless and until Customer has signed a new addendum granting rights to Customer in such Optional Functionality, which will include payment of license and maintenance fees associated with such new Optional Functionality ("**New Addendum**"). To prevent Customer from accessing and using the Optional Functionality before payment of the applicable license fees, Aon will often restrict access to such Optional Functionality through the use of a license file, which Customer will only receive following a signed new addendum and payment of the applicable fees for such Optional Functionality.

f) *Support of Releases*. Aon will provide Customer Support Services for the "current release" and "previous release" (major or minor). The "end-of-life" (**"EOL"**) release will be eligible for emergency, external-driven interface changes with less than three (3) months' notice and defect resolution for issues of severity 1 – 3 to allow Customer to upgrade from the "EOL release" to either the "current release" or the "previous release."

For example:

- 4.3.22.00 was released August 2010
- 4.3.23.00 was released February 2011
- 4.3.24.00 will be released May 2011

When 4.3.24.00 is released in May 2011 the following will occur:

- 4.3.24.00 will be the new "current release"
- 4.3.23.00 moves from being the "current release" to be the "previous release"
- 4.3.22.00 moves from being the "previous release" to being an "EOL release"

In this example, the EOL release (*i.e.,* Release 4.3.22.00), will continue to be will be eligible for emergency, external driven interface changes with less than three (3) months' notice and defect resolution for issues of severity 1 – 3. Older releases will only be eligible to receive defect resolutions of severity 2 and higher.

g) *Changes in Law*. Aon will provide Customer, as part of the Customer Support Services, with new Releases created by Aon as a result of a change in law or new law that directly applies to existing functionality within the Software currently offered by Aon. Aon will take commercially reasonable efforts promptly notify Customer in writing upon becoming aware of any material changes to any applicable law or governmental regulations that may cause the current Release of the Software not to conform to such law or regulations. Notwithstanding the foregoing, in the event that the required modifications to the Software (i) would require a material re-architecture or other significant product re-design, (ii) would require Aon to obtain data which is either unavailable, or, which is only available at a material cost, or (iii) would otherwise require Aon to incur material expenditures (as measured against the fees charged under this Agreement), and Aon is not otherwise making such modifications for its other customers, then Aon may cease providing the affected Software in the affected jurisdiction.

To the extent that Aon offers a new Release, which is Optional Functionality created by Aon as a result of a change in law or new law that does not directly apply to existing functionality within the Software, such new Optional Functionality is not included as part of the Customer Support Services and will be subject to additional fees.

10.2. Exclusions from Customer Support & Additional Support Services.

a) *Exclusions from Customer Support Services*. Services requested by Customer as a result of, or with respect to, causes or errors that are not attributable to Aon or cannot be reproduced by Aon on unmodified Software will be considered Additional Support Services (as defined below in Section 10.2(b)) and are not included within the scope of Customer Support Services or the fees charged therefor. Causes or errors that are not attributable to Aon (and therefore would also be considered Additional Support Services) include, but are not limited to, the following: (i) accident; unusual physical, electrical or electromagnetic stress; neglect; misuse; failure or fluctuation of electric power, air conditioning or humidity control; excessive heating; fire and smoke damage; or causes other than ordinary use; (ii) use of the Software on equipment or rotation media other than the equipment for which such software was designed and licensed for use on; (iii) interconnection, interfacing or operation of the Software with other software products not supplied by Aon; (iv) operation of the Software with other media, hardware, software or telecommunication interfaces not meeting or not maintained in accordance with the manufacturer's or environmental or Aon's specifications; (v) improper installation by the Customer or use of the Software that deviates from any operating procedures established by Aon in the applicable Documentation or in environmental or manufacturer specifications; (vi) modification, customization, alteration or addition or attempted modification, customization, alteration or addition of the Software undertaken by the customer or its agents, assigns, contractors, employees or other's under the customer's control (vii) software programs made by Customer or other parties unless specifically covered in a Statement of Work between the Customer and Aon; (viii) Customer's failure to implement current versions of the Software that are issued under this Agreement; (ix) introduction of data into any database used by the Software by any means other than the use of the Software; (x) failure by Customer to respond to any action plans provided by Aon pursuant to a support call by Customer; (xi) improper or incomplete J2EE application server administration; or (xii) improper or incomplete database administration.

b) *Additional Support Services*. If it is necessary for Aon to provide services to Customer outside the scope of Customer Support Services, Customer will provide written consent in advance for Aon to perform such services ("**Additional Support Services**"). Customer agrees to pay Aon at Aon's then-current standard rates for time and materials, as well as all travel expenses incurred for such Additional Support Services. The following are examples of Additional Support Services that are available from Aon: (i) add-on data conversions; (ii) implementation for any optional software modules; (iii) supplemental training; (iv) custom reports – defining, creating, testing or troubleshooting (Aon will help with "how do I add a table, column, field, etc." in Report Designer, but Aon will require an SOW to help troubleshoot or clean up a modified or custom report (unless the custom report is specifically under maintenance; for example: "I tried to tweak or modify my custom report and now my outstanding indemnity figures are out of whack")); (v) iVOS upgrades during non-business hours; (vi) security configuration consulting or setup; (vii) data conversion issues once transitioned from implementation to support; (viii) Aon database changes, such as organization changes, combining insureds, reference table changes, *etc.*; (ix) corrections to Customer's data, including, but not limited to, data modification for purposes of exporting/importing to/from the Aon database; (x) database administration services (iVOS only); (xi) J2EE application administration (iVOS only); (xii) backup and recovery consulting (iVOS only); (xiii) performance troubleshooting outside of the application; (xiv) any hardware or software problems beyond the control of Aon; (xv) network changes and network performance problems (xvi) support and maintenance of custom modules that are not covered under the Customer Support Services; (xvii) custom enhancements, for example: new check printing functionality or custom-stored procedures (*e.g.*, p_examiner); and (xix) for iVOS interfaces: (a) installation and configuration of any interface Software on hardware external to the Software server; (b) training on interfaces; (c) Customer-initiated changes to the interface specification (note that Aon reserves the right to modify the interface specification for future enhancements); (d) Customer changes to systems external to Aon that result in any failures or performance problems with the interface; or (e) bugs in a Customer's computer software and hardware that result in interface operational failure.

10.3. Customer Obligations Related to Support. Customer will be responsible for the following: (a) reporting errors promptly; (b) providing sufficient information for Aon to duplicate the circumstances of a reported Software defect or duplicate the error, as described in the Specifications, so Aon can duplicate the error, assess the situation, and/or undertake any needed or appropriate maintenance action hereunder; and (c) carrying out procedures for the rectification of errors or malfunctions within a reasonable time after such procedures (or revisions, upgrades, enhancements, *etc.*) have been received from Aon. In addition, Customer is expected to provide up to three (3) Customer contacts to act as liaisons between Customer and Aon ("**Customer Contacts**"). These individuals must be knowledgeable in the operation of the Software in order to serve as Customer Contacts. All of Customer's support inquiries should be initiated through these Customer Contacts.

10.4. Hours Support Provided by Aon. Support hours for the Software are provided from 8:00 a.m. to 9:00 p.m. Eastern Time Monday through Friday, excluding Aon-observed holidays. Aon has up to twelve (12) observed holidays per calendar year and will provide Customer with a list of such Aon observed holidays prior to the beginning of each calendar year as requested.

10.5. Lapse in Support.

a) If Customer fails to renew the Support Term as detailed in Section 14.1 below (**"Lapse"**), further available support, updates and upgrades will no longer be provided; Customer will not have the option to purchase Customer Support Services on a time-and-materials basis as Aon does not offer such terms. In such event, if Customer desires to resume receipt of Customer Support Services, Customer will need to reinstate its Customer Support Services in accordance with Section 10.5(b). It shall not be considered a Lapse in the renewal of the Support Term if Customer provides Aon written notice at least thirty (30) days prior to the expiration of the Support Term of its intention to renew the Support Term. If written notification has been provided, Customer shall be allowed up to three (3) months after the expiration of the Support Term to complete all action necessary to renew the Support Term and execute an agreement with respect to renewal of the Support Term. Customer shall continue to pay monthly fees owed during the Lapse, as long as maintenance and support continues during or up to the three (3) month period.

b) Should Customer desire to return to maintenance and support following a Lapse, the parties will enter into a new, mutually-acceptable written agreement subject to the support guidelines in effect at that time. If the Lapse is for less than three (3) years, Customer can reinstate receipt of Customer Support Services by paying: (i) Aon's then-current Customer Support Services Fee, plus (ii) one hundred percent (100%) of all Customer Support Services Fee that would have been due had the Lapse not occurred; plus (iii) additional services fees on a time-and-materials basis required to enable Customer's upgrade to the current release of the Software then being supported by Aon. If the Lapse is more than three (3) years, Aon will have transitioned to a completely new version of the Software, and Customer will be required to pay (i) the full license fees for such new version of the Software; plus (ii) Aon's then-current Customer Support Services Fee; plus (iii) additional services fees on a time-and-materials basis required to enable Customer's upgrade to the current version of the Software then being supported by Aon.

11. INDEMNIFICATION.

11.1. Aon IP Indemnity.

a) Subject to the limitations of liability set forth in Section 13, Aon will indemnify, defend, and hold Customer, its individual directors, officers, employees and agents, harmless from and against any claims, actions or proceedings, arising out of any third-party claim that the Software or the permitted use thereof infringes or violates any third party's valid U.S. patent, copyright or trade secret. If any such lawsuits, or threat of a lawsuit, materially interferes with Customer's use of the Software, Aon will consult with Customer, and Aon will have the option, in Aon's sole discretion, to (i) substitute functionally equivalent non-infringing software or documentation, (ii) modify the Software to make it non-infringing, (iii) obtain for Customer at Aon's expense the right to continue using the infringing Software; or, if the foregoing is not feasible in Aon's sole discretion, Aon will (iv) require Customer to cease using the Software and return the Software and upon such return, refund that portion of the License Fees (as defined in Schedule B) paid to Aon by Customer corresponding to such infringing Software after deduction of an appropriate charge for depreciation based on use by Customer prior to such removal, after which time Customer will have no other recourse against Aon for any claims alleging future infringement.

b) Aon will have no indemnity obligation for claims of infringement resulting or alleged to result from (i) any combination, operation, or use of any Software with any programs or equipment not supplied by Aon or not specified in this Agreement for such purpose if such infringement would have been avoided by the combination, operation, or use of such Software with items supplied by Aon or specified in this Agreement for such purpose; (ii) inclusion of Customer Content; (iii) any modification of the Software by a party other than Aon if such infringement would have been avoided in the absence of such modifications; (iv) Customer's failure, within a reasonable time frame, to implement any replacement or modification of Software provided by Aon with respect to any Software hosted by Customer; or (v) the use of the Software in a manner other than for its intended purposes or contrary to the Specifications. This Section 11.1 states Aon's entire liability and Customer's sole and exclusive remedy for infringement claims and actions.

11.2. Aon General Indemnity. Subject to the limitations of liability set forth in Section 13, Aon will indemnify, defend, and hold Customer, its individual directors, officers, employees and agents, harmless from and against any claims, actions or proceedings, arising out of any third-party claim resulting from: (a) the negligence of Aon's personnel, which results in bodily injury of any Customer personnel or damage to any Customer property, and (b) any material breach of this Agreement by Aon; provided however, that Aon is not required to indemnify Customer for the proportion of liability a court, arbitrator or mediator determines is attributable to any act or omission of Customer, its officers, directors, employees, agents or any person under Customer's direct control.

11.3 Customer Indemnity. Subject to the limitations of liability set forth in Section 13, Customer will indemnify, defend, and hold Aon, its individual directors, officers, employees and agents, harmless from and against any claims, actions or proceedings, arising out of any third-party claim resulting from: (a) the negligence of Customer's personnel, which results in bodily injury of any Aon's personnel or damage to any of Aon's property, and (b) any material breach of this Agreement by Customer; provided however, that Customer is not required to indemnify Aon for the proportion of liability a court, arbitrator or mediator determines is attributable to any act or omission of Aon, its officers, directors, employees, agents or any person under Aon's direct control.

11.4 General. The defense and indemnification obligations set forth in this Section 11 are conditioned upon (i) the indemnified party providing the indemnifying party notice of any claim or cause of action upon which the indemnified party intends to base a claim of indemnification hereunder, (ii) the indemnified party providing reasonable assistance and cooperation to enable the indemnifying party to defend the action or claim hereunder; and (iii) allowing the indemnifying party to control the defense and all related settlement negotiations; provided that the indemnifying party may not settle any claim that results in the indemnified party's liability and the indemnifying party will be required to consult with the indemnified party during any settlement discussions.

12. WARRANTY AND DISCLAIMER.

12.1. General Warranty. Each party represents and warrants that: (i) it is not subject to any agreement that would prevent it from complying with this Agreement; (ii) it is not in breach of any non-disclosure agreement, including any agreement concerning trade secrets or confidential information owned by any other party; and (iii) it has full right and power to enter into this Agreement. Aon represents and warrants that it will comply with all applicable laws and regulations relating to its performance of the Services under this Agreement.

12.2. Software Warranty. Aon warrants that for a period of ninety (90) days after the Software is in Production Use (the "**Warranty Period**") the Software will substantially conform to the Specifications provided to Customer on the Effective Date. If Aon receives written notice during the Warranty Period that the Software does not perform as warranted, Aon will, at its option and at no additional charge to Customer, undertake to correct the initially delivered Software, or replace such portions of the Software free of charge with software that performs as warranted hereunder. The forgoing are Customer's sole and exclusive remedies for breach of this warranty; provided, however, that nothing herein will prevent Customer from filing a claim against Aon to seek damages. Aon recommends that Customer verify the data and data completeness by reviewing source data or physical documents appropriate to the process or content. For the avoidance of doubt, Aon will not be responsible for payment of any fines assessed against Customer by any regulatory authority for failure of the Customer to comply with statutory or regulatory requirements of any kind. The warranties above will not apply (1) if anyone other than Aon or its authorized third-party supplier modifies the Software, (2) if Customer uses a version of the Software other than the "current release" or the "previous release" as described in Section 10.1(d), (3) during any period of time, Customer has discontinued Customer Support Services or is past-due on any fees for Customer Support Services or for Implementation Services (4) Customer uses the Software outside the scope of the license granted under this Agreement or operates it in an authorized environment.

12.3. Services Warranty. Aon warrants that any Services under this Agreement will be performed in a professional and workmanlike manner consistent with generally-accepted industry practices. For any breach of this services warranty, Customer's exclusive remedy, and Aon's entire liability, will be the re-performance of such deficient Services; provided, however, that nothing herein will prevent Customer from filing a claim against Aon to seek damages. Customer must identify in a written notice to Aon any deficiencies in such Services within ninety (90) days of completion of such deficient Services in order to receive the above warranty remedies.

12.4. Customer Warranty. During the Term of this Agreement, Customer may provide or make available to Aon certain software owned or licensed to Customer ("**Customer Software**") and other Customer and third-party materials, including Customer Data, ("**Customer Materials**") in connection with Aon performing Services. Customer represents and warrants that Customer is authorized to provide Aon such Customer Software and Customer Materials and that Aon is authorized to use such Customer Software and Customer Materials solely for the purpose of providing the Services. In addition to any other indemnification obligations it may have under this Agreement, Customer will indemnify, defend and hold Aon individual directors, officers, employees and agents, harmless from and against any and all claims (including, but not limited to, claims of infringement of Intellectual Property Rights), liabilities, losses, damages, causes of action or injuries, together with costs and expenses, including reasonable attorneys' fees, arising out of or resulting from Customer's failure to comply with the foregoing representations and warranties.

12.5. Warranty Disclaimer.

a) OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER AON, ITS AFFILIATES, LICENSORS OR SUPPLIERS, NOR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR REPRESENTATIVES, MAKES ANY EXPRESS OR IMPLIED WARRANTIES, CONDITIONS, OR REPRESENTATIONS TO CUSTOMER, OR ANY OTHER PERSON OR ENTITY WITH RESPECT TO THE SOFTWARE AND SERVICES PROVIDED HEREUNDER OR OTHERWISE REGARDING THIS AGREEMENT, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED OR STATUTORY.

b) WITHOUT LIMITING THE FOREGOING, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY, THE IMPLIED WARRANTY AGAINST INFRINGEMENT, AND THE IMPLIED WARRANTY OR CONDITION OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED AND DISCLAIMED. AON DOES NOT WARRANT THAT THE OPERATION OF THE SOFTWARE OR SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. USE OF ANY INFORMATION OBTAINED THROUGH THE SOFTWARE IS AT THE CUSTOMER'S SOLE RISK. CUSTOMER ACKNOWLEDGES THAT IT HAS NOT ENTERED INTO THIS AGREEMENT IN RELIANCE UPON ANY WARRANTY OR REPRESENTATION NOT EXPRESSLY CONTAINED IN THIS AGREEMENT. FURTHER, CUSTOMER EXPRESSLY RECOGNIZES THAT AON DOES NOT CREATE, OPERATE, CONTROL OR ENDORSE ANY DATA, INFORMATION, OR THIRD-PARTY PRODUCTS PROCESSED BY THE SOFTWARE, INCLUDING BUT NOT LIMITED TO, INFORMATION OBTAINED. AON WILL NOT BE

LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY COST OR DAMAGE ARISING EITHER DIRECTLY OR INDIRECTLY FROM ANY LOSS OF DATA UNLESS SUCH COST OR DAMAGES AROSE FROM AON'S GROSS NEGLIGENCE.

13. LIMITATION OF LIABILITY.

13.1. LIMITATION OF REMEDY. EXCEPT FOR A BREACH OF SECTION 6 OF THESE TERMS AND CONDITIONS, IN NO EVENT WILL EITHER PARTY, ITS AFFILIATES, LICENSORS OR SUPPLIERS, OR ANY OF THEIR OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR REPRESENTATIVES BE LIABLE TO THE OTHER PARTY, OR ANY OTHER PERSON OR ENTITY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR LOSS OF GOODWILL IN ANY WAY RELATING TO THIS AGREEMENT OR RESULTING FROM THE USE OF OR INABILITY TO USE THE SOFTWARE OR THE PERFORMANCE OR NON-PERFORMANCE OF ANY SERVICES, EVEN IF SUCH PARTY HAS BEEN NOTIFIED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES OCCURRING, AND WHETHER SUCH LIABILITY IS BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHERWISE.

13.2. MAXIMUM LIABILITY. EXCEPT FOR A BREACH OF SECTION 6 OF THESE TERMS AND CONDITIONS, IN NO EVENT WILL EITHER PARTY'S LIABILITY FOR ANY DAMAGES TO THE OTHER, ANY OF ITS AFFILIATES, OR TO ANY THIRD PARTY REGARDLESS OF THE FORM OF ACTION, WHETHER BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHERWISE, EVER EXCEED THE FEES RECEIVED BY AON UNDER THIS AGREEMENT.

14. TERM AND TERMINATION.

14.1. Generally. The "**Term**" of this Agreement, including the Customer Support Services under Section 10 will begin on the Effective Date of this Agreement and will continue for a term of four (4) years (i.e. December 8, 2012 through December 7, 2016). Customer shall have the option to renew/extend the Term of this Agreement for up to two (2) one (1) year terms on the expiration of the initial Term, above.

14.2. Termination for Breach. In the event that either party materially defaults in the performance of any of its duties or obligations under this Agreement and does not substantially cure such default, or commence a cure, within thirty (30) days after being given written notice specifying the default, the non-defaulting party may, by giving written notice thereof to the defaulting party, terminate this Agreement. No such termination will entitle Customer to an automatic refund of any portion of the fees paid by Customer.

14.3. Effect of Termination. Within thirty (30) days (or earlier upon Aon's reasonable written request) after the effective date of a termination of this Agreement for any reason, Customer will (i) pay Aon for all Services performed by Aon up to the effective date of such termination and all other amounts owed by Customer to Aon under this Agreement including, but not limited to, all Fees (including any License Fees) owed by Customer as of the effective date of termination; and (ii) destroy or return to Aon all Aon property, including, but not limited to all Documentation and the Confidential Information of Aon. Upon the destruction or return of such materials, Customer will provide Aon with a signed written statement certifying that it has destroyed or returned all Aon property to Aon. Upon termination of this Agreement for any reason, all rights and licenses granted by Aon hereunder to Customer will immediately cease. Within thirty (30) days (or earlier upon Customer's reasonable written request) after the effective date of a termination of this Agreement for any reason, Aon will destroy or return to Customer all Confidential Information of Customer.

14.4. Survival. Termination of this Agreement will not affect survival of the provisions regarding Aon's or Customer's treatment of Confidential Information, provisions relating to the payments of amounts due that have accrued prior to termination, indemnity provisions, provisions limiting or disclaiming the party's liability, provisions on non-solicitation of employees, or the provisions on termination, which provisions will survive such termination.

15. INSURANCE.

15.1. For the duration of this Agreement (including any extensions or renewals thereof), Aon will maintain in full force and effect, at its expense, the following insurance coverages:

a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than $1,000,000 each accident;

b) Commercial General Liability Insurance with limits not less than $1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations;

c) Commercial Automobile Liability Insurance with limits not less than $1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable; and

d) Errors And Omissions Insurance with limits not less than $1,000,000 per occurrence.

15.2. Aon will provide certificate(s) of insurance to Customer verifying placement and maintenance of required coverages detailed above at the time of execution of this Agreement.

16. DISPUTES.

16.1. If at any time a dispute arises out of or in connection with this Agreement or any part thereof (*e.g.,* a SOW), then Aon and Customer (together the "**Parties**") will have their respective Project Managers meet in good faith with a view to resolving the dispute within a period of fifteen (15) working days from the day the dispute first arises.

16.2. Should the Parties not be able to resolve the dispute within the fifteen (15) working days, then both Parties will refer the matter to their own appropriate level of senior executive management respectively for resolution.

16.3. If the relevant senior executive management of Aon and Customer are unable to resolve the dispute within a further ten (10) working day period, then the Parties will attempt to settle the dispute through discussions between each Parties' respective Chief Executive Officer. In the absence of an amicable resolution within fifteen (15) days from the meeting of the respective Chief Executive Officers in accordance with the conditions set forth in this Section 16, the dispute may then be submitted to the appropriate courts having jurisdiction over the matter.

16.4. Nothing in this Agreement will prevent either party from taking such action as it deems appropriate (including any application to a relevant court) for injunctive or other emergency or interim relief in relation to its Intellectual Property Rights or Confidential Information.

17. GENERAL.

17.1. Marketing. On pre-approval of Customer, which shall not be unreasonably withheld, Customer agrees to permit Aon's reasonable reference to Customer's status as a user of the Software, including captioned quotations in product literature or advertisements, articles, press releases, marketing literature, presentations and the like and occasional use as a reference for potential new users.

17.2. Force Majeure. Neither Aon nor Customer will be liable to the other for any delay or failure to perform (other than a failure to pay monies due under this Agreement) arising out of causes beyond its reasonable control including, but not limited to, riots, epidemics, severe weather, acts of the other party, fire, flood, terrorism, war, acts of the enemy, embargoes or work stoppages, labor disputes or strikes. Aon and Customer will notify each other promptly upon learning of any event that may result in any delay or failure to perform. If the force majeure event occurs and continues to prevent substantial performance for more than thirty (30) days the other party has the right to terminate this Agreement.

17.3. Interpretation of Agreement. This Agreement will be construed and interpreted fairly, in accordance with the plain meaning of its terms, and there will be no presumption or inference against the party drafting this Agreement in construing or interpreting the provisions hereof.

17.4. Entire Agreement. These Terms and Conditions, including the Schedules (and exhibit or attachments thereto), and any Addenda hereto signed by the parties, constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous agreements, negotiations, representations and proposals, written or oral. Neither party has relied upon any representation not contained in this Agreement as an inducement to enter into this Agreement. This Agreement will prevail over any conflicting or additional provision of any purchase order or any other instrument of Customer, it being understood that any purchase order issued by Customer will be for Customer's convenience only, and any differing or additional terms and conditions contained therein are hereby expressly rejected by Aon. To the extent there is a conflict between the Terms and Conditions and any Schedule or Statement of Work, the order of precedence of documents constituting this Agreement will be as follows: (a) any Statements of Work; (b) Terms and Conditions; (c) Schedules; (d) Attachments to Schedules; and (e) any other document incorporated herein or any Addenda.

17.5. Relationship of Parties. This Agreement will not be construed to create any employment relationship, partnership, joint venture or agency relationship or to authorize any party to enter into any commitment or agreement binding on the other party.

17.6. Assignment. Except as otherwise set forth in this Agreement, this Agreement and all rights and obligations may not be assigned (by operation of law or otherwise) in whole or in part by Customer, and any such attempted assignment will be void and of no effect; provided, however, that either party hereto will have the right to assign this Agreement to another entity in connection with a reorganization, merger, consolidation, acquisition or other restructuring involving all or substantially all of the voting securities and/or assets of the assigning party upon written notice to the non-assigning party. This Agreement will be binding upon and inure to the benefit of the parties, their legal representatives, permitted transferees, successors, and assigns as permitted by this Agreement.

17.7. Waiver. No delay or failure in exercising any right hereunder and no partial or single exercise thereof will be deemed to constitute a waiver of such right or any other rights hereunder.

17.8. Invalidity. If any provision hereof is declared invalid by a court of competent jurisdiction, such provision will be ineffective only to the extent of such invalidity, so that the remainder of that provision and all remaining provisions of this Agreement will be valid and enforceable to the fullest extent permitted by applicable law.

17.9. Choice of Law. This Agreement will be exclusively construed, governed and enforced in all respects in accordance with the internal laws (excluding all conflict of law rules) of the State of California and any applicable federal laws of the United States of America, as from time to time amended and in effect. Each party agrees that any claim or cause of action whether in law or equity, arising under or relating to this Agreement may be brought in a court of appropriate jurisdiction in the State of Georgia. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods will not apply in any respect to this Agreement or the parties hereto. The parties hereby agree that their respective rights and obligations hereunder will be solely and exclusively as set forth herein and that UCITA, whether enacted in whole or in part by any state or applicable jurisdiction, regardless of how codified, will not apply to this Agreement and is hereby disclaimed.

17.10. Amendments. No modifications, additions, or amendments to this Agreement will be effective unless made in writing and signed by duly authorized representatives of the parties.

17.11. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original but all of which together will be deemed for all purposes to constitute one and the same instrument. Signatures transmitted and received via facsimile or other electronic means will be treated as original signatures for all purposes of this Agreement.

17.12. Solicitation.

a) *Employment.* To promote an optimum working relationship, the parties agree in good faith not to knowingly solicit for employment, directly or indirectly, employ or otherwise engage any employee who has been involved in rendering or receiving services hereunder as an employee of the other party without that party's prior written consent. This restriction will apply during the term of and for a period of one (1) year after the termination of this Agreement.

b) *Exceptions.* The provisions of this Section 17.12 will not restrict the hiring of any person who: (i) has not been involved in rendering or receiving services, on behalf of Aon or Customer, under this Agreement; (ii) as of the time of hiring, has not been an employee of the other party at any time during the preceding one hundred eighty (180) days; or (iii) responds to a publicly announced vacancy notice.

17.13. Restricted Rights. The Software and any accompanying Documentation were developed at private expense and are deemed to be a "commercial item," as that term is defined in 48 C.F.R. 2.101, consisting of "commercial computer software" and "commercial computer software documentation," as such terms are used in 48 C.F.R. 12.212. Use, duplication, and disclosure by civilian agencies of the U.S. Government will be in accordance with FAR 52.227-19(c) or other agency data rights provisions, as may be applicable. Use, duplication and disclosure by DOD agencies are subject solely to the terms of this Agreement as stated in DFAR 227.7202. All U.S. Government Users license the Software with only those rights set forth herein, including, without limitation, the following: Software may be transferred to the U.S. government only with the prior written consent of an officer of Aon and solely as restricted computer software as provided in FAR 52.227-19 or subsequent citation (or DFAR 227-7202 or subsequent citation if the transfer is to a defense-related agency).

17.14. Third-Party Beneficiaries. There are no third-party beneficiaries of this Agreement and, in particular but without limiting the generality of the foregoing, no end-users of Software and/or Documentation other than Customer, if any, or any Customer affiliate will have any legal rights or entitlements of any kind hereunder under any circumstances.

17.15. Restricted Nations. The term "Restricted Nation" means any country, individual, group or organization on the U.S. Department of Treasury's Office of Foreign Assets Control's list of Specially Designated Nationals or the U.S. Department of Commerce's Bureau of Export Administration's List of Denied Persons, as each may be amended from time to time. Customer represents and warrants that it will not allow access to the Software to any user that is (i) an individual located in a Restricted Nation; (ii) a business or organization owned, controlled by or acting on behalf of an individual, business or organization in a Restricted Nation; (iii) a government of a Restricted Nation; (iv) a business or organization owned, controlled by or acting on behalf of a government of a Restricted Nation; and (v) an individual, group or organization on the U.S. Department of Treasury's Office of Foreign Assets Control's list of Specially Designated Nationals or the U.S. Department of Commerce's Bureau of Export Administration's List of Denied Persons. Customer will defend, indemnify, and hold Aon, and Aon's officers, directors, employees, shareholders, agents, suppliers, or representatives harmless from and against any and all losses, damages, costs, and expenses, including legal fees, incurred directly or indirectly as a consequence of Customer's failure to comply with this Section. This obligation will survive termination of this Agreement.

17.16. Notices. Any and all notices permitted or required to be given hereunder will be deemed duly given (a) upon actual delivery, if delivery is by hand; or (b) upon delivery into the United States mail if delivery is by postage paid registered or certified return receipt requested mail. Each such notice must be sent to the respective party at the addresses indicated below:

If to Aon:

Douglas Wilson
Global Director of Operations & Administration
Aon eSolutions
3350 Riverwood Parkway
Suite 80, 5th Floor
Atlanta, GA 30339

If to Customer:

Monica Turner
Risk Manager
City of Compton
205 South Willowbrook Avenue
Compton, California 90220

[End of Terms and Conditions]

SCHEDULE A — STATEMENT OF WORK

This Schedule A — Statement of Work ("**Schedule A**") is between Aon and the Customer identified on the cover page of this Agreement.

Modules and Interfaces that were purchased as part of the original term license agreement:

- Workers Compensation Module
- General Liability Module
- 4 WC user licenses
- 1 GL user license
- Laser Check Printing
- Medical Treatment
- Bill Review Import – not implemented, see section 1.1
- AP Interface

<u>iVOS Implementation and Deliverables</u>:

Estimated Start: Ten (10) business days from receipt of signed contract

Estimated Hours: Project Management 10 hours
Business Analysis – 40 hours

1.1. <u>Bill Review Interface - Implementation</u>

1.1.1. Bill Review vendors included:

- CompStar

1.1.2. Any new vendors should use one of the existing Bill Review formats. Any formatting changes will result in additional fees and is subject to Aon's standard change management process.

1.1.3. Aon will configure the standard bill review export and import files. The following export files will be created in a flat file fixed length format:

- Vendor File – lists all new and changed vendors.
- Claimant File, lists all the new and changed claimants.

1.1.4. The import file contains Bill Data and Payment Data.

1.1.5. There are no images, notes, diaries or automatic vendor additions as part of the standard Bill Review interface.

1.1.6. Customer will be responsible for reviewing a sample EOR.

1.1.7. Customer will be responsible for reviewing and understanding all the scheduled jobs and configuration for the Bill Review Interface.

1.1.8. Standard security protocols are expected to be adhered to, including file encryption and electronic transfer.

#22.

SCHEDULE B — FEE SCHEDULE

This Schedule B — Fee Schedule ("**Schedule B**") is between Aon and the Customer identified on the cover page of this Agreement.

A. Annual Support and Maintenance -

a. Year 1 - $39,790.99
   i. Year 1 Total Maintenance - $31,040.99
   ii. New purchase – Implementation of the Bill Review Import - $8,750
b. Year 2 - $32,593.04
c. Year 3 - $34,222.69
d. Year 4 - $35,933.83
e. Year 5 - $37,730.52
f. Year 6 - $39,617.04

#22.

RESOLUTION SIGN-OFF FORM

DEPARTMENT:	**City Attorney**
RESOLUTION TITLE:	**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE SOFTWARE LICENSE AND MAINTENANCE AGREEMENT WITH AON ESOLUTIONS FOR PROVISION OF THE RISK MANAGEMENT IVOS DATABASE AND INSTALLATION OF THE ELECTRONIC MEDICAL BILL REVIEW INTERFACE SYSTEM FOR BILL PAY AND REVIEW**

Ruth Rugley	**6/10/2013 2:03:41 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/13/2013 3:17:15 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/13/2013 2:44:05 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**6/13/2013 1:24:27 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.

June 18, 2013

TO:	**HONORALBE MAYOR AND CITY COUNCILMEMBERS**
FROM:	**ALITA L. GODWIN, CMC** **CITY CLERK**
SUBJECT:	**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THE RESULTS OF THE GENERAL MUNICIPAL ELECTION HELD IN SAID CITY ON JUNE 4, 2013**

A General Municipal Election was held and conducted in the City of Compton, on Tuesday, June 4, 2013, as required by law.

In accordance with Section 6-4 of the Compton Municipal Code, it is requested that the City Council canvass the election results. Upon conclusion of the canvass, it is hereby requested that the attached resolution be adopted.

Alita L. Godwin, CMC
City Clerk of Compton

RESOLUTION NO. ________________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THE RESULTS OF THE GENERAL MUNICIPAL ELECTION HELD IN SAID CITY ON JUNE 4, 2013

WHEREAS, a General Municipal Election was held and conducted in the City of Compton, California, on Tuesday, June 4, 2013, as required by law; and

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Election Code of the State of California for the holding of elections in charter cities; and

WHEREAS, the City Clerk canvassed the returns of the election and has certified the results to this City Council, the results are received, attached and made a part hereof as Exhibit "A" for Polling Site Precincts and Exhibit "B" for Vote-by-Mail Precincts and Vote-by-Mail & Provisional (2nd Count).

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

SECTION 1. That the City Council of the City of Compton does hereby find, determine and declare as follows:

(a) That pursuant to applicable law, a General Municipal Election was held and conducted in said City on the 4th day of June, 2013; and

(b) That said election was held and conducted in conformity with all applicable provisions of law; and

(c) That said election was held for the purpose of electing qualified persons to certain municipal offices; and

(d) That the offices considered at said election were as follows:

(1) Mayor of said City, for a full term of four (4) years;

(2) Member of the City Council for District Number 2 of said City, for a full term of four (4) years;

(e) That the City Council of said City has heretofore conducted a canvass of the results thereof in accordance with applicable law.

SECTION 2. That the statement of election results, relating to said General Election is as follows:

(a) The whole number of votes cast in the City is as follows:

(1) Total Votes Cast (Other than Vote-by-Mail Ballots): **4170**
(2) Vote-by-Mail and Provisional Ballots: **3343**

SECTION 3. That the names of persons voted for at the election for Mayor are as follows:

Omar Bradley
Aja Brown

#23.

That the names of persons voted for at the election for member of City Council-District 2 are as follows:

Isaac Galvan
Lillie Dobson

SECTION 4. That the number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates are listed in Exhibit "A" for Polling Site Precincts and Exhibit "B" for Vote-by-Mail Precincts and Vote-by-Mail & Provisional (2nd Count).

SECTION 5. The City Council does declare and determine that **Aja Brown** was elected as Mayor of said City, for the full term of 4 (four) years; that **Issac Galvan** was elected as Member of City Council for District Number 2 for a full term of 4 (four) years;

SECTION 6. The City Clerk shall enter in the records of the City Council of the City, a statement of the results of the election, showing:

1. The whole number of ballots cast in the City;
2. The names of the persons voted for;
3. For what office each person was voted for;
4. The number of votes given at each precinct to each person;
5. The total number of votes given to each person.

SECTION 7. That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

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

ADOPTED this ____________ day of ________________, 2013.

____
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 L. Godwin, City Clerk of the City of Compton hereby certify that the foregoing resolution was duly 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 ______, 2013.

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

AYES: Council Members-
NOES: Council Members-
ABSENT: Council Members-
ABSTAIN: Council Members-

____
CITY CLERK OF THE CITY OF COMPTON

#23.

EXHIBT A

FOR MAYOR

PRECINCT	OMAR BRADLEY	AJA BROWN
2	12	56
3	142	132
4	58	133
5	49	99
6	38	42
7	98	198
8	40	81
9	27	67
10	34	53
15	60	152
18	41	91
24	226	149
27	34	65
28	33	41
30	59	74
33	9	60
42	23	49
45	63	154
52	94	164
62	30	39
113	87	148
132	26	78
136	39	83
149	13	19
152	49	146
153	80	125
155	28	55
157	28	59
300	7	10

FOR COUNCILMEMBER, DISTRICT NO. 2

PRECINCT	ISAAC GALVAN	LILLIE DOBSON
2	43	26
6	35	46
8	62	50
9	53	34
136	60	59
149	16	13
300	7	9

#23.

EXHIBT B

VOTE-BY-MAIL

FOR MAYOR

PRECINCT	OMAR BRADLEY	AJA BROWN
2	21	57
3	64	68
4	26	50
5	10	49
6	18	27
7	34	117
8	67	92
9	11	32
10	34	19
15	25	53
18	35	67
24	119	150
27	15	27
28	19	26
30	44	36
33	8	13
42	11	12
45	27	70
52	41	87
62	20	39
113	33	70
132	13	66
136	37	75
149	7	13
152	24	78
153	32	54
155	15	25
157	10	34
300	13	15

FOR COUNCILMEMBER, DISTRICT NO. 2

PRECINCT	ISAAC GALVAN	LILLIE DOBSON
2	63	13
6	30	17
8	106	57
9	19	21
136	70	45
149	20	2
300	19	10

#23.

VOTE-BY-MAIL & PROVISIONALS
2ND COUNT

FOR MAYOR

PRECINCT	OMAR BRADLEY	AJA BROWN
2	9	23
3	37	21
4	18	32
5	4	12
6	10	18
7	19	52
8	31	45
9	0	8
10	11	19
15	7	30
18	14	18
24	47	19
27	2	8
28	5	19
30	10	6
33	0	14
42	7	8
45	18	35
52	11	15
62	5	15
113	10	24
132	9	16
136	28	36
149	4	4
152	7	20
153	9	27
155	7	18
157	7	17
300	1	2
Total	**2707**	**4724**

FOR COUNCILMEMBER, DISTRICT NO. 2

PRECINCT	ISAAC GALVAN	LILLIE DOBSON
2	27	7
6	14	12
8	65	11
9	5	3
136	48	18
149	5	3
300	0	2
Total	**767**	**458**

#23.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Clerk**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THE RESULTS OF THE GENERAL MUNICIPAL ELECTION HELD IN SAID CITY ON JUNE 4, 2013**

Alita Godwin	**6/10/2013 4:21:48 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/13/2013 3:00:32 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/13/2013 2:34:44 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**6/13/2013 1:20:15 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.

#24.

June 18, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: RENEA FERRELL, GRANTS MANAGER
CITY MANAGER'S OFFICE

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE COMPETITIVE TREE PLANTING GRANT IN THE AMOUNT OF $150,000 FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDING

SUMMARY

This resolution authorizes the City of Compton to accept the Los Angeles County Regional Park and Open Space District for Second Supervisorial District Excess Funding in the amount of One Hundred Fifty Thousand Dollars ($150,000.00) for Compton Tree Planting.

BACKGROUND

On December 18, 2012, the City Council approved Resolution No. 23,669, authorizing the City Manager to file a grant application with Mark Ridley-Thomas Second Supervisorial District Office on behalf of the City for tree planting. The Grants Division prepared the grant and submitted the application with the authorizing resolution on December 20, 2012. Eligible projects included capital improvement tree planting projects within the Second Supervisorial District to plant trees, including fruit trees, in parks, open space and on other public land including parkways in commercial and residential areas. The City chose to request funding for tree planting in both the public parks and the major thoroughfares throughout the City.

In spring of 2013, the Los Angeles County Board of Supervisor's made their final approval to award the City of Compton's grant application in the amount of $150,000. The grant will cover the costs for site preparation, tree planting, mulch, fertilizers, pesticides and tree maintenance. As a part of the grant requirement, the City will employ at –risk youth to assist in the tree planting process for a total of $7,520.

The Public Works Department plans to review all potential sites to determine which type of tree would be suitable for the area to ensure longevity of the tree as well as the City's infrastructure. All tree planting must be completed by March 31, 2015, per regulations provided in the application.

#24.

STATEMENT OF ISSUE

As a part of the grant requirements, the City must provide a resolution approving the acceptance of the grant funds.

ALTERNATIVE

The City can choose not to accept the grant. As a result, the City would have to select another source of funding such as General Funds to cover the cost of tree planting and employing at-risk youth to assist with community beautification efforts.

FISCAL IMPACT

This resolution will have no impact on the General Fund. The cost of the tree planting will be paid from a combination of accounts in the Grants Division and the Public Works Department budgets. The FY 2012-2013 budget will be amended as follows:

Increase Revenue

Account No.	Account Description	Amount
2674-000-000-3579	Revenue	$150,000.00

Increase Expenditure

Account No.	Account Description	Amount
2674-720-000-4269	Other Contract Services	$141,000.00
2674-510-000-4101	Permanent Salaries	$ 9,000.00

This is a multi-year grant which ends in FY 2014-2015.

RECOMMENDATIONS

Staff recommends that the Mayor and Council Members accept the Competitive Tree Planting Grant from the Los Angeles County Regional Park and Open Space District for Second Supervisorial District Excess Funding and appropriate the funds in the current year budget.

RENEA FERRELL,
GRANTS MANAGER

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#24.

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE COMPETITIVE TREE PLANTING GRANT IN THE AMOUNT OF $150,000 FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDING

WHEREAS, on December 20, 2012, the Grants Division applied for funding from the Los Angeles County Regional Park and Open Space District; and

WHEREAS, in Spring of 2013, the Los Angeles County Board of Supervisor's approved the City of Compton's award of $150,000 from the Los Angeles County Regional Park and Open Space District, Second Supervisorial District Excess Funding; and

WHEREAS, the Public Works Department will use the funds to cover costs for tree planting in both the public parks and the major thoroughfares throughout the City which includes site preparation, purchasing of trees, tree planting supplies such as fertilizer and mulch; and employing at- risk youth; and

WHEREAS, the Public Works Department and City Manager's Office Budgets must be amended to appropriate the funds.

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

Section 1. That the City Council shall accept the $150,000 grant from the Los Angeles County Regional Park and Open Space District.

Section 2. That the FY 2012-2013 Annual Budget shall be amended as follows:

Increase Revenue

Account No.	Account Description	Amount
2674-000-000-3579	Revenue	$150,000.00

Increase Expenditure

Account No.	Account Description	Amount
2674-720-000-4269	Other Contract Services	$141,000.00
2674-510-000-4101	Special Department Expense	$ 9,000.00

This is a multi-year grant which ends in FY 2014-2015

Section 3. That a certified copy of this resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Controller, and Public Works Department.

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

ADOPTED this _____ day of _______________, 2013.

____

MAYOR OF THE CITY OF COMPTON

#24.

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____ day of _______________, 2013.

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

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

____
CITY CLERK OF THE CITY OF COMPTON

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE COMPETITIVE TREE PLANTING GRANT IN THE AMOUNT OF $150,000 FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDING**

G. Harold Duffey	**6/4/2013 6:31:39 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/10/2013 2:15:49 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/6/2013 4:42:55 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**6/6/2013 12:57:22 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.

June 18, 2013

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **RENEA FERRELL, GRANTS MANAGER**
CITY MANAGER'S OFFICE

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDS-COMPETITIVE GRANT IN THE AMOUNT OF $500,000 FOR THE COMPTON CREEK PHASE III AND AMEND THE 2012-2013 FISCAL YEAR BUDGET**

SUMMARY

This resolution authorizes the City of Compton to accept the Los Angeles County Regional Park and Open Space District Excess Funds-Competitive Grant in the amount of Five Hundred Thousand ($500,000.00) for the Compton Creek Multi-Purpose Bike Trail Connection-Phase III.

BACKGROUND

For many years, the Planning and Economic Development Department has been working with the Compton Creek Task Force on a monthly basis to develop ideas and strategies to improve the Compton Creek. In December 2012, the Grants Division prepared and submitted the application for the Los Angeles County Regional Park and Open Space District Excess Funds-Competitive Grant to support the City's progress on the Compton Creek. The project scope of work was to include the construction of the final segment of the multi-purpose trail beginning south of Greenleaf Boulevard, continuing south connecting to the sidewalk at the Gateway Towne Center adjacent to Best Buy. The project includes bike lanes, landscaping, signage and lighting along the trail.

In spring of 2013, the Los Angeles County Board of Supervisor's made their final approval to award the City of Compton's grant application in the amount of $500,000.

In May 2013, the Taskforce approved the conceptual design plan for Phase III. The Planning and Economic Development Department plans to release the Request for Proposal (RFP) for construction before the end of June 2013. The project is estimated to be completed by January 2014. The grant expires on December 31, 2014.

#25.

STATEMENT OF ISSUE

As a part of the grant requirements, the City must provide a resolution approving the acceptance of the grant funds.

ALTERNATIVE

The City can choose not to accept the grant. As a result, the City would have to select another source of funding such as General Funds to cover the cost of the Multi-Purpose Bike Trail.

FISCAL IMPACT

This resolution will have no impact on the General Fund. The cost of the multi-purpose bike trail will be paid from a combination of accounts in the Grants Division and the Planning and Economic Development budgets. The FY 2012-2013 budget will be amended as follows:

Increase Revenue

Account No.	Account Description	Amount
1526-000-000-3579	Revenue	$500,000.00

Increase Expenditure

Account No.	Account Description	Amount
1526-780-000-4269	Other Contract Services	$490,000.00
1526-780-000-4101	Permanent Salaries	$ 5,000.00
1526-510-000-4101	Permanent Salaries	$ 5,000.00

This is a multi-year grant which ends in FY 2014-2015.

RECOMMENDATIONS

Staff recommends that the Mayor and Council Members accept the Competitive Grant from the Los Angeles County Regional Park and Open Space District Excess Funds- for the Compton Creek Multi-Purpose Bike Trail Connection-Phase III and appropriate the funds in the current year budget.

RENEA FERRELL,
GRANTS MANAGER

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDS-COMPETITIVE GRANT IN THE AMOUNT OF $500,000 FOR THE COMPTON CREEK PHASE III AND AMEND THE 2012-2013 FISCAL YEAR BUDGET

WHEREAS, in December 2012, the Grants Division applied for funding from the Los Angeles County Regional Park and Open Space District for the construction of the Compton Creek Multi-Purpose Bike Trail Phase III; and

WHEREAS, in Spring of 2013, the Los Angeles County Board of Supervisor's approved the City of Compton's award of $500,000 from the Los Angeles County Regional Park and Open Space District Excess Funding; and

WHEREAS, the Planning and Economic Development Department will use the funds to cover costs for the construction of the bike lanes, landscaping, signage and lighting along the trail for the Compton Creek Multi-Purpose Bike Trail Phase III; and

WHEREAS, the Planning and Economic Development Department and City Manager's Office Budgets must be amended to appropriate the funds.

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

Section 1. That the City Council shall accept the $500,000 grant from the Los Angeles County Regional Park and Open Space District.

Section 2. That the FY 2012-2013 Annual Budget shall be amended as follows:

Increase Revenue

Account No.	Account Description	Amount
1526-000-000-3579	Revenue	$500,000.00

Increase Expenditure

Account No.	Account Description	Amount
1526-780-000-4269	Other Contract Services	$490,000.00
1526-780-000-4101	Permanent Salaries	$ 5,000.00
1526-510-000-4101	Permanent Salaries	$ 5,000.00

This is a multi-year grant which ends in FY 2014-2015

Section 3. That a certified copy of this resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Controller, and Planning and Economic Development Department.

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

ADOPTED this _____ day of _______________, 2013.

____

MAYOR OF THE CITY OF COMPTON

#25.

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____ day of _______________, 2013.

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

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

____
CITY CLERK OF THE CITY OF COMPTON

#25.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACCEPTING THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT EXCESS FUNDS-COMPETITIVE GRANT IN THE AMOUNT OF $500,000 FOR THE COMPTON CREEK PHASE III AND AMEND THE 2012-2013 FISCAL YEAR BUDGET**

G. Harold Duffey	**6/4/2013 6:28:40 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/6/2013 3:40:06 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/6/2013 9:14:37 AM**
CITY CONTROLLER	DATE
G. Harold Duffey	**6/4/2013 6:32:26 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.

#26.

June 18, 2013

TO: MAYOR AND CITY COUNCIL

FROM: RENEA FERRELL, GRANTS MANAGER
CITY MANAGER'S OFFICE

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON TO ACCEPT AND APPROPRIATE FUNDS FROM THE DEPARTMENT OF JUSTICE, JUSTICE ASSISTANCE GRANT FOR FISCAL YEAR 2012-2013 IN THE AMOUNT OF $115,619 AND AMEND THE 2012-2013 FISCAL YEAR BUDGET

SUMMARY

This resolution authorizes the City of Compton to accept and appropriate One Hundred and Fifteen Thousand, Six Hundred and Nineteen ($115,619) Dollars in grant funding from the Department of Justice for the Justice Assistance Grant Program.

BACKGROUND

The Justice Assistance Grant (JAG) Program, administered by the Bureau of Justice Assistance (BJA), is the leading source of federal justice funding to state and local jurisdictions. The JAG Program provides states, tribes, and local governments with critical funding necessary to support a range of program areas including law enforcement, prosecution and court, prevention and education, graffiti abatement, corrections and community corrections, drug treatment and enforcement, planning, evaluation, and technology improvement, and crime victim and witness initiatives.

STATEMENT OF THE ISSUE

The City of Compton is working very hard to reduce crime throughout the City. As a part of this effort, the City is developing a Graffiti Abatement Program. The Grants Division prepared and submitted the application for the JAG 2012 Grant, in the amount of $115,619 from the Department of Justice to implement the Graffiti Abatement Program. The City was awarded funding for this program early this fiscal year through government allocation.

In order to ensure the City operates a full functioning Graffiti Abatement Program, it is imperative that the City not only has designated staff but proper equipment and supplies as well. The JAG 2012 Grant will cover the cost of personnel and items such as cameras, paint sprayers, paint, brushes, rollers, protective eyewear, uniforms, cleaning solutions, boots and gloves. This will allow the City to maximize the success of the Graffiti Abatement Program and respond to graffiti calls in an expeditious manner as well as being proactive in graffiti removal, especially along the main thoroughfares.

#26.

These efforts will send a positive message throughout the community, promote a sense of pride with City residents and business owners, reduce neighborhood fears and decrease criminal activity.

ALTERNATIVES

The Council has the authority to accept the grant funds and subsequent implementation. If the City Council chooses not to accept the grant funds, the Public Works Department cannot implement the Graffiti Abatement Program unless General Funds or other funding sources were provided.

FISCAL IMPACT

This resolution has no impact on the General Fund. The cost for personnel and supplies as well as grant oversight will be paid from a combination of accounts in the Grants Division and Public Works Department Budgets.

Increase Revenue

Account No.	Account Description	Amount
1064-000-000-3579	Revenue	$115,619.00

Increase Expenditure

Account No.	Account Description	Amount
1064-720-000-4101	Permanent Salaries	$41,352.00
1064-720-000-4190	Workers' Compensation	$ 5,400.57
1064-720-000-4191	Health Insurance	$14,527.68
1064-720-000-4192	PERS	$ 8,559.86
1064-720-000-4193	PERS Pick-Up	$ 3,332.34
1064-720-000-4194	Life Insurance	$ 221.40
1064-720-000-4195	Dental Insurance	$ 595.92
1064-720-000-4196	Vision Insurance	$ 160.00
1064-720-000-4197	Unemployment Insurance	$ 336.00
1064-720-000-4198	State Disability Insurance	$ 413.52
1064-720-000-4199	Medicare	$ 599.60
1064-720-000-4249	Special Department Expense	$12,941.92
1064-720-000-4269	Other Contract Services	$16,456.31
1064-510-000-4101	Permanent Salaries	$10,721.88

RECOMMENDATION

Staff recommends that the Mayor and City Council accepts the JAG 2012 funding from the Department of Justice and adopt the attached resolution.

RENEA FERRELL,
GRANTS MANAGER

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#26.

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON TO ACCEPT AND APPROPRIATE FUNDS FROM THE DEPARTMENT OF JUSTICE, JUSTICE ASSISTANCE GRANT FOR FISCAL YEAR 2012-2013 IN THE AMOUNT OF $115,619 AND AMEND THE 2012-2013 FISCAL YEAR BUDGET

WHEREAS, the Justice Assistance Grant (JAG Program) administered by the Bureau of Justice Assistance (BJA) is the leading source of federal justice funding to state and local jurisdictions; and

WHEREAS, the JAG Program provides states, tribes, and local governments with critical funding necessary to support a range of program areas including law enforcement prosecution and court, prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation and technology improvement, and crime victim and witness initiatives; and

WHEREAS, the JAG funds allocated in the Public Works Department budget will cover the cost for designated staff, proper equipment, supplies and grant oversight. The equipment and supplies are as follows: cameras, paint sprayers, paint, brushes, rollers, protective eyewear, uniforms, cleaning solutions, boots and gloves; and

WHEREAS, the Public Works Department and City Manager's Office Budgets must be amended to appropriate the funds.

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

Section 1. That the City Council shall accept the $115,619 Justice Assistance Grant from the Department of Justice.

Section 2. That the FY 2012-2013 Annual Budget shall be amended as follows:

Increase Revenue

Account No.	Account Description	Amount
1064-000-000-3579	Revenue	$115,619.00

Increase Expenditure

Account No.	Account Description	Amount
1064-720-000-4101	Permanent Salaries	$41,352.00
1064-720-000-4190	Workers' Compensation	$ 5,400.57
1064-720-000-4191	Health Insurance	$14,527.68
1064-720-000-4192	PERS	$ 8,559.86
1064-720-000-4193	PERS Pick-Up	$ 3,332.34
1064-720-000-4194	Life Insurance	$ 221.40
1064-720-000-4195	Dental Insurance	$ 595.92
1064-720-000-4196	Vision Insurance	$ 160.00
1064-720-000-4197	Unemployment Insurance	$ 336.00
1064-720-000-4198	State Disability Insurance	$ 413.52
1064-720-000-4199	Medicare	$ 599.60
1064-720-000-4249	Special Department Expense	$12,941.92
1064-720-000-4269	Other Contract Services	$16,456.31
1064-510-000-4101	Permanent Salaries	$10,721.88

Section 3. That a certified copy of this resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Controller, and Public Works Department.

#26.

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

ADOPTED this _____ day of _______________, 2013.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____ day of _______________, 2013.

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

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

____
CITY CLERK OF THE CITY OF COMPTON

#26.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON TO ACCEPT AND APPROPRIATE FUNDS FROM THE DEPARTMENT OF JUSTICE, JUSTICE ASSISTANCE GRANT FOR FISCAL YEAR 2012-2013 IN THE AMOUNT OF $115,619 AND AMEND THE 2012-2013 FISCAL YEAR BUDGET**

G. Harold Duffey	**6/4/2013 6:31:52 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/6/2013 3:45:20 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/6/2013 9:30:27 AM**
CITY CONTROLLER	DATE
G. Harold Duffey	**6/4/2013 7:57:18 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.

June 18, 2013

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING THE BUDGET FOR FISCAL YEAR 2012-2013**

SUMMARY

The Fiscal Year 20113-2014 Operating Budget for the City of Compton is hereby transmitted to the City Council for adoption.

BACKGROUND

Staff is cautiously optimistic in Fiscal Year 2013-2014 financial outlook. The State of California is seeing resurgence in consumer confidence that is being lead by the once battered real estate market. The Los Angeles County Region's economy is also improving and we are seeing year over year increases in Compton's core revenues, such as sales, use and property taxes.

The City of Compton's General Fund budget is a balanced budget for 2013/2014 with revenue of $48,705,055 million and expenses of approximately $47,876,879 million, leaving a projected fund balance of $828,176. The revenue estimates include baseline revenue for approximately $44 million, garnered from traditional revenue, such as sales, use and property taxes. Staff anticipates that additional revenue will be gained from implementation of the City's Cost Allocation Plan (CAP), revenue enhancements, liquidation of assets, new fees and Public Private Partnerships.

The Preliminary Budget is derived from a complete "budget scrub", which consists of allocating appropriate costs to non general fund accounts, elimination of automatic rollover programs from one fiscal year to the next and zeroing out accounts and moving unused balances to the City's general fund balance. Staff is confident in the baseline revenue, as it was derived from nine months worth of closely watched revenues from 2012-2013.

STATEMENT OF THE ISSUE

The 2013-2014 Fiscal Year budget has an increase in existing labor costs of approximately $400,000. The increase partially (1/3) restores labor concessions from the 2012-2013 budget (over $800,000 in employee concessions which included 12 days of furloughs and a reduction in (fire personal allowances). The 2013-2014 budget also reflects the return of employees that were improperly laid off. It also honors salary increases agreed upon in the 2010-2011 that were never implemented. The impacted positions are all in non-general fund departments.

In addition, based on budget workshop information, Council Priorities and operational needs, staff is also requesting an additional $1.3 million in new positions to carry out and improve the delivery of Department's Core services. Over the last several years, the City has compiled its budget's by not filling key positions or with a reduced level of service such as furloughs. The 2013-2014 budget represents the City Manager's and the Executive Leadership Team's view of the resources needed to provide the best level of service possible in FY 2013 – 2014. The positions are recommended to improve services and increase revenues. The Department Heads were required to identify how the additional positions will either enhance service or increase revenue. No position was added without an ability to fully fund the position.

FINANCIAL IMPACT

Adoption of the proposed FY 2013-2014 Annual Budget will allow the City to appropriate revenue and pay expenditures in the upcoming fiscal year as indicated.

RECOMMENDATIONS

Staff recommends that the Council adopt the attached Resolution.

G. HAROLD DUFFEY
CITY MANAGER

#27.

RESOLUTION NO. ____________________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING THE BUDGET FOR FISCAL YEAR 2013 - 2014

WHEREAS, the Compton City Charter Section 1407 requires that an annual budget be presented and adopted by City Council on or before June 30th ; and

WHEREAS, multiple community workshops and agendized council meeting discussions were scheduled and held from April 25, 2013 through June 18, 2012; and

WHEREAS, the City Council has fixed the time and place for holding a public hearing on the proposed 2013-2014 FY budget and has caused notice of said hearing to be published and the proposed 2013-2014 budget has been available for inspection at the City Clerk's Office consistent with Compton City Charter Section 1405; and

WHEREAS, the above referenced public hearing was held on June 18, 2013.

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

SECTION 1. That the proposed Fiscal Year 2013-2014 annual budget of the City of Compton, as set forth in the proposed Annual Budget document, including amendments, if any, approved by the City Council as reflected in this meeting's minutes, is hereby adopted pursuant to Section 1407 of the Compton City Charter and made effective July 1, 2013.

SECTION 2. That a certified copy of this resolution, along with this meeting's approved minutes evidencing City Council adopted amendments, if any, shall be attached to the Fiscal Year 2013 – 2014 Annual Budget and the same shall be filed with the City Manager, City Controller and City Treasurer and that a copy of said resolution and Annual Budget shall be placed and shall remain on file in the office of the City Clerk.

#27.

<u>SECTION 3.</u> That the Mayor shall sign and the City Clerk shall attest to this resolution.

ADOPTED this ___________day of ____________ 2013

MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _______day of _______, 2013.

That said resolution was adopted by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAINS: COUNCIL MEMBERS –

____
CITY CLERK OF THE CITY OF COMPTON

#28.

WARRANTS APPROVED BY COUNCIL

Warrant #	Date	Name	Services Provided	Amount	Amount Paid Year to Date
215990	06/03/13	CA DEPT. OF HEALTH SERVICES	Payment of Water System Fees for July 2012 – Dec. 2012	$6,438.60	$32,475.44

Requested by City Manager's Office

I hereby certify that the above demand in the amount of $6,438.60 was approved at a regular meeting of the City Council and reject ___________________ as of June 18, 2013.

_____________________ Council Member

_____________________ Council Member

_____________________ City Manager

I hereby certify that the Finance Committee at a regular meeting of the City Council on June 18, 2013 allowed the above demand.

____
Alita Godwin
City Clerk

#28.

State of California—Health and Human Services Agency

California Department of Public Health

CDPH

RON CHAPMAN, MD, MPH
Director & State Health Officer

EDMUND G. BROWN JR.
Governor

Paid By JN
V# 10001832
P.O. # C01326
A/C # 5000-90-0000-4249 (E)

Tana Mccoy
Compton-City, Water Dept.
205 S Willowbrook Avenue
Compton, CA 90220

March 21, 2013

System No. : 1910026
Invoice No. : 1350154

WATER SYSTEM FEES: JULY 1, 2012 THROUGH DECEMBER 31, 2012

Payment must be postmarked 90 days from the date of this invoice, or a 10% penalty will be assessed

LINE ITEMS		HOURS		FEES
PERMITTING ACTIVITIES	:	1.00	$	126.00
INSPECTIONS & INVESTIGATIONS	:	29.50	$	3,717.00
COMPLIANCE TRACKING	:	17.40	$	2,192.40
MONITORING DATA REVIEW	:	3.20	$	403.20
VAR. / EXEMP. / WAIVERS / PLAN CHK	:	.00	$	.00
TOTAL		**51.10**	**$**	**6,438.60**

THE HOURLY RATE FOR ESTIMATED BILLING IS *$126.00 PER HOUR

* This estimated billing uses the 2011/12 FY hourly rate of $126.00. The end-of-year billing for your system will be calculated on the actual hourly cost for 2012/13 FY.

NOTE:

Pursuant to section 116577 of the Health & Safety code, if enforcement activities were incurred during 2012/13 FY, a separate invoice will be sent in August 2013 requiring payment prior to September 1, 2013.

BE SURE TO WRITE YOUR SYSTEM # 1910026 ON THE CHECK

-----------✂-----------✂-----------✂-----------✂-----------✂-----------✂-----------

WATER SYSTEM FEES: FUND #306
FY 2012-13, JULY 1, 2012 THROUGH DECEMBER 31, 2012
(For Federal system use only: DUNS # 799150615 – CAGE: 4SMM7)

WATER DEPARTMENT
I've Reviewed This Invoice
and Approve for Processing.
Signature
Date 6-3-2013
6/3/2013

REMIT PAYMENT TO:

Department of Public Health
Drinking Water Program
P.O. Box 997379 MS 7406
Sacramento, CA 95899-7379

Compton-City, Water Dept.
205 S Willowbrook Avenue
Compton, CA 90220
Invoice Date: March 21,2013

SYSTEM NO.	INVOICE NO.	DISTRICT	TOTAL AMOUNT DUE
1910026	1350154	22	$ 6,438.60

(TOTAL DUE IF POSTMARKED AFTER June 19, 2013 - $ 7,082.46)

Division of Drinking Water and Environmental Management Branch
P.O. Box 997379 (MS 7406), Sacramento, CA 95899-7379
Phone: (916) 449-5600 Fax: (916) 445-4599
Internet Addre: /.cdph.ca.gov