NOTICE

COMPTON CITY COUNCIL
AGENDA
Tuesday, July 23, 2013
5:45 PM

HEARING(S)

5:50 P.M. - PUBLIC HEARING TO CONSIDER A SUBSTANTIAL AMENDMENT TO CITY OF COMPTON'S HUD MANDATED ANNUAL ACTION PLAN FOR FISCAL YEAR 2012-2013 (Request to Reschedule)

OPENING

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

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

1. JUNE 25, 2013
   JULY 2, 2013
   JULY 9, 2013

REPORTS OF OFFICERS AND COMMISSIONS

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

2. CLAIM AGAINST THE CITY:
   James Green v. City of Compton (I-8587/LI0000277A)
   Golden Iron, Inc. v. City of Compton (I-8585/LI0000276A)
   (Deny Claims)

3. DEPARTMENT MONTHLY REPORTS **(Receive/File)**

4. INVESTMENT REPORT - June 30, 2013 **(Receive/File)**

CITY ATTORNEY

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THOMSON REUTERS COMPANY FOR THE PURCHASE OF LEGAL PUBLICATIONS AND FOR SUBSCRIPTION TO WESTLAW, THOMSON REUTERS' ONLINE LEGAL RESEARCH DATABASE

CITY TREASURER

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACKNOWLEDGING THE RECEIPT AND FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE FISCAL YEARS 2013-2014 AND 2014-2015

HOUSING AUTHORITY

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND COMPTON LOCAL HOUSING AUTHORITY

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES

CITY MANAGER'S REPORT

8. REQUEST TO SCHEDULE A PUBLIC TO RECEIVE COMMENTS ON THE PROPOSED CITIZEN PARTICIPATION PLAN AND SUBSTANTIAL AMENDMENT TO REPROGRAM HUD FUNDS **(September 3, 2013 at 5:50 P.M.)**

9. **ORAL PRESENTATION -** Lillie Dobson - Homeless Veteran's Stand Down

10. **POWER POINT PRESENTATION -** Jerry R. Woods - Gateway Cities Council of Governments (Transportation Update)

CITY ATTORNEY'S REPORTS

CLOSED SESSION

11. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

    Title: City Manager
    Pursuant to California Government Code Section 54957

UNFINISHED BUSINESS

NEW BUSINESS

12. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICE AGREEMENT AND ISSUE A PURCHASE TO SARAKKI ASSOCIATES, INC., FOR ENGINEERING SERVICES ON THE TRAFFIC SIGNAL UPGRADE AND TRAFFIC MANAGEMENT AND OPERATIONS CENTER (TMOC) PROJECT

13. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE CITY OF INGLEWOOD FOR DATA PROCESSING SERVICES RELATING TO THE PARKING CITATION PROGRAM

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE COMPTON SUPERIOR COURT RELATING TO COLLECTION OF FINES ON PARKING CITATIONS

15. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO PAY ALL INVOICES BILLED FOR ANIMAL CARE AND CONTROL SERVICES FOR FISCAL YEAR 2013-2014

16. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2013-2014

17. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2013-2014

18. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2013-2014

19. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO JANKOVICH, SC FUELS, AND AAA OIL FOR GASOLINE AND DIESEL FUEL

20. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PUBLIC WORKS DEPARTMENT 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO AMEND THE CONTRACT WITH SIALIC CONTRACTORS CORPORATION DBA SHAWNAN FOR CONSTRUCTION OF THE GONZALES PARK GRADING AND DRAINAGE IMPROVEMENT PROJECT (CIP #07-03)

21. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXERCISE AN OPTION TO PURCHASE EXISTING CITY VEHICLES LEASED FROM ENTERPRISE FLEET SERVICES

22. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE AGREEMENT AND ISSUE A PURCHASE ORDER WITH CLEANSTREET SWEEPING SERVICES FOR CITYWIDE STREET SWEEPING SERVICES

23. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON, AUTHORIZING THE ISSUANCE AND SALE OF TAX AND REVENUE ANTICIPATION NOTES FOR FISCAL YEAR 2013-14 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,600,000

24. AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON, CALIFORNIA ADOPTING AN URGENCY MEASURE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 MAKING FINDINGS AND ESTABLISHING A MORATORIUM TEMPORARILY PROHIBITING THE ACCEPTANCE OF APPLICATIONS OR PERMIT REQUESTS FOR NEW DEVELOPMENTS OF "TOBACCO/SMOKE SHOPS"

25. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AGREEMENT AND ISSUE A PURCHASE ORDER TO MELAD AND ASSOCIATES FOR BUILDING PLAN CHECK SERVICES AND TEMPORARY BUILDING INSPECTION SERVICES

APPROVAL OF WARRANTS

26. Warrant - 216832 - Date - 7/15/2013 - Name - Los Angeles County - Service - Transmission of Voter files, Equipment, Consolidation, Verification and Supplies for April Election - Amount - $2,440.20 - Requested by: City Clerk's Office

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, September 03, 2013 @ 5:45 PM.

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

View Meetings Live at mms://livemedia.comptoncity.org:8080

JUNE 25, 2013

The City Council meeting was called to order at 6:40 p.m. in the Council Chambers of City Hall by Mayor Eric Perrodin.

ROLL CALL

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

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

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Lorraine Cervantes, Compton resident, urged the City Attorney and City Clerk to establish a committee to investigate the activities of the June 4, 2013 election. She contended that there was an outside organization consisting of state-elected officials that have been trying to take over cities one at a time. She professed to know the ring leader of the organization and put him on notice to leave the City of Compton alone.

Minnie Sawyer, Compton resident, presented Councilperson Lillie Dobson with a banner in recognition of her God-honoring conduct on the City Council.

Patricia Simpson, Compton resident, asked the City Clerk if the citizens could verify whether or not someone used their name to vote during the June 4, 2013 election. Ms. Simpson indicated that the citizens are upset that the city manager does not reside in the City of Compton and commented that she would fight to ensure that Measure I is not enforced. She mentioned that she and Teresa Lizzel were responsible for convincing Mayor Perrodin to run for office and complimented him for bringing in so many developments into the City.

Marie Hollis, Compton resident, presented plaques of appreciation to Councilperson Lillie Dobson, Mayor Eric Perrodin, and former councilperson Barbara Calhoun for their service to the citizens of Compton.

Charles Strickland, Compton resident, thanked Mayor Perrodin and Councilperson Dobson for their commitment and dedication to the citizens of Compton during their tenure on the City Council.

Emelda Solis, Compton resident, (Spanish translator used) invited the community to take advantage of the fitness and counseling services available at 2113 West Compton Boulevard Monday through Friday from 9 a.m. to 10 a.m. and 6 p.m. to 8 p.m. For more information regarding these services please call (562) 972-1361.

Reverend Charles Brown, First Charity Missionary Baptist Church, encouraged the members of the audience to show their love for God in their conduct towards the elected officials. He also announced that he would be back on July 16, 2013 to present eleven events to the council to commemorate the City of Compton's 125th anniversary.

Carolyn Stokes, Compton resident, wished the Mayor well in his future endeavors and asked that brighter lighting be installed along Long Beach Boulevard.

Joyce Kelly, Compton resident, asked that the City ensure that all pool facilities are up and running for the youth during the summer months. She went on to question the $30,000 increase in the warrant to Smart-Tek Ambulance Company. She further stated that she believes the people in Compton should be treated with respect and that she would continue to fight for the people of the City of Compton.

#1.

Will Scott, Compton resident, requested a brief summary regarding the need for the resolutions on the agenda. He also asked that residents be given one minute to address each council agenda item separate from audience comments on non-agenda items. He further encouraged the residents to put the interest of the City above their feelings for the incoming mayor in an effort to move the City forward.

Sierra Evans, Compton resident, petitioned the citizens of Compton to support her in her aspirations to become Miss Compton.

Brenda Postelle, Compton resident, notified the city manager that the streets on Poinsettia Avenue have not been swept in four weeks. Ms. Postelle also mentioned that she would miss Mayor Perrodin and his presence on the City Council.

Julius Franklin, Compton resident, thanked the members of the City Council for educating him on the process of conducting City business. He also asked that someone address a 4% tax increase on the residents and the facade of the Crystal Casino. Mr. Franklin went on to request a workshop that educates the citizens on the responsibilities of the different departments in the City, and further asked that information regarding the services provided by local non-profit organizations be disseminated to the residents.

Councilperson Arceneaux asked the city manager to address Mr. Franklin's concerns regarding the rehabilitation on the Crystal Casino.

City Manager Duffey indicated that the exterior of the hotel should be completed towards the end of July 2013. Mr. Duffey also clarified that the revised 2013-2014 fiscal year budget does not include a tax on the citizen.

Councilperson Arceneaux advised Mr. Franklin to go to the Community Development Block Grant department for information regarding the services provided by the local non-profit organizations.

William Kemp, Compton resident, commended Mayor Perrodin for being the longest running mayor in the City of Compton and for his ability to articulate and breakdown agenda issues so that the average person in Compton could understand.

Lynn Boone, Compton resident, questioned why the background information under Item Number Five does not include the date the requests for proposals went out, the newspaper where the request was listed, or bids from other companies. She also asked that staff address Item Number Seven in detail. She indicated that the citizens would miss Mayor Perrodin and asked that he explain the status of Measure I and what Los Angeles County is attempting to do in Compton.

CONSENT AGENDA

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

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

APPROVAL OF MINUTES

1. JUNE 11, 2013 - Approved.

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

2. CLAIM AGAINST THE CITY: Olivia Mitchell v. City of Compton (I-8582/LI0000273A) - **Claim denied**

HUMAN RESOURCES

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ESTABLISHING THE HOLIDAY SCHEDULE FOR CITY EMPLOYEES FOR FISCAL YEAR 2013 - 2014**(Resolution #23,786)**

END CONSENT AGENDA

REGULAR AGENDA

CITY MANAGER'S REPORTS - UPDATE ON WATER RATE INCREASE EFFECTIVE JULY 1, 2013

Glen Kau, director of Public Works, presented the staff report.

Mayor Perrodin announced that the average water bill would increase approximately $22.

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

UNFINISHED BUSINESS

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

Councilperson Arceneaux made a motion to reconsider the amended budget items from last week's City Council meeting.

The motion was seconded by Zurita.

Councilperson Dobson questioned the need for additional discussion.

Councilperson Arceneaux indicated that she received some additional information yesterday regarding two of the items; they are justified, and need to be communicated to the community.

On motion by Arceneaux, seconded by Zurita, a request to reconsider the amended budget items from the last meeting was approved, by the following vote on roll call:

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

Councilperson Arceneaux articulated her support for another assistant city manager position within the budget owing to the city manager's added responsibilities of managing the Successor Agency of which occurred as a result of an error in the budget process that lead to the elimination of two management positions in that department.

Councilperson Dobson maintained that the City could not afford another assistant city manager position in the budget with employees laid off and out on furloughs.

City Manager Duffey clarified that the city manager would be assuming full responsibility of the Successor Agency in the upcoming fiscal year; there are no administrative fees in next year's budget for Successor Agency staff. Mr. Duffey also noted that before this information came to light, the budget transmittal letter that was previously submitted to council contained a request for an additional assistant city manager because he would be assuming full responsibility of the Successor Agency.

City Manager Duffey further reported that the budget transmittal contained information regarding a balanced budget with an additional assistant city manager, bringing back all employees that were erroneously laid off, and a reduction in furloughs that were not going to take place until 2014.

City Manager Duffey further disclosed that the removal of resources from the transmittal letter could affect promises made to move the City forward.

Mayor Perrodin stated that he believes the proposed 2013-14 fiscal year budget is disingenuous and a facade.

Councilperson Dobson questioned why the city manager neglected to share this information with her yesterday during their weekly meeting and reiterated that the City could not afford an additional city manager.

Mayor Perrodin requested the pleasure of the council.

On motion by Arceneaux, seconded by Zurita, a request to add an additional assistant city manager position was approved, by the following vote on roll call:

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

Councilperson Arceneaux withdrew her motion to place Municipal Law Enforcement Services (MLES) under the City Attorney's Office and requested that MLES be placed under Building and Safety.

City Manager Duffey proposed that MLES remain under the Fire Department until arrangements are made to place the department under Building and Safety.

Councilperson Zurita seconded the motion and asked the City Attorney if it would cost the City to hear the appeal cases.

City Attorney Cornwell explained that there would be a hearing officer put in place to address parking citations, and that he could not address any additional costs to the citizens because there are other factors that could be discounted.

Councilperson Dobson asked the City Attorney if it is his desire to supervise MLES. City Attorney Cornwell answered that as he stated in previous meetings is he was ready, willing, and able to manage MLES.

On motion by Arceneaux, seconded by Zurita, a request to place Municipal Law Enforcement Services (MLES) under the Fire Department was approved, by the following vote on roll call:

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

Mayor Perrodin proposed an amendment to the original motion to increase the salary of fire department personnel based upon the increase in duties.

The motion died for a lack of a second.

Councilperson Dobson asked the city manager to address the number of Sheriff's deputies the City would acquire in the upcoming fiscal year.

Carl Houston, MLES, answered that he did not have that information available.

Mayor Perrodin stated that the background information indicates that the City would receive 44 deputies, two motor deputies, no sergeants or lieutenants.

City Manager Duffey stated that the background information also indicates that the City would receive two sergeants, two custody assistants, and two security assistants.

Mayor Perrodin contended that the numbers are inaccurate and an indication that the figures were invariably placed in the budget.

Councilperson Zurita commented that the City would have an opportunity to renegotiate the contract in September 2013.

Mayor Perrodin asserted that due to Measure I the City is not in the position to renegotiate the contract.

Mayor Perrodin requested any other amendments to the proposed 2013-14 fiscal year budget.

Hearing none, the Mayor stated that he believes the proposed budget is "voodoo economics."

On motion by Zurita, seconded by Arceneaux, **Resolution #23,787** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING THE BUDGET FOR FISCAL YEAR 2013 - 2014"** was approved, by the following vote on roll call:

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

NEW BUSINESS

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID OF AND ENTER INTO A CONTRACT WITH KNORR SYSTEMS, INC. FOR REPAIRS TO LUEDERS PARK-WILLIAM LOVE POOL AND GONZALES PARK POOL.

It was motioned by Zurita, and seconded by Arceneaux to discuss this item.

Councilperson Zurita requested the anticipated start and completion dates of construction.

Marvin Hunt, director of Parks and Recreation, stated that he anticipates work to begin as early as tomorrow with a completion date of June 29, 2013 for Lueders Park pool and July 6, 2013 for Gonzales Park pool.

Councilperson Dobson questioned why no bids were received for this proposal.

Mr. Hunt replied that the request went out, but did not return any bids.

Councilperson Dobson asked why staff waited until the summer months to start construction on the pools. Mr. Hunt indicated that staff had utilized the Los Angeles County Open Space grant which was submitted April 9, 2013 but did not close until May 13, 2013.

Councilperson Dobson proposed that staff send out for bids and contracts as early as January next year for anticipated pool maintenance and repair.

Mayor Perrodin contended that staff should have addressed this issue when it was discovered in the Fall 2012 to ensure that the pools were ready for the summer months.

Mayor Perrodin went on to question why Knorr Systems Inc. elected not to respond to the bid request until after the request period closed. Mayor Perrodin also questioned staff's level of expertise to determine a responsible bid.

Mr. Hunt indicated that his determination was based on two items: Knorr Systems Inc. submitted a bid that addressed the necessary issues for both pools and they indicated that they could meet the timeline.

Mayor Perrodin expressed a concern for no contract, provisions, or penalties for cost over-runs in the resolution and further indicated that he could not vote on this item due to a lack of background information.

Councilperson Arceneaux asked the city manager to address why the resolution does not include a contract.

City Manager Duffey assured Councilperson Arceneaux that the terms and conditions of the contract would be worked out.

Mayor Perrodin requested staff's contingency plan to pay the company for cost over-runs.

City Manager Duffey stated that staff could adjust their current budget and operational expenses.

Mayor Perrodin asked what the $600,000 in other contract services is earmarked for and further proposed that those funds be used to hire additional Parks and Recreation personnel.

Mr. Hunt indicated that a portion of the funds are earmarked to pay Willie Forge for the operation of the Compton Par 3 Golf Course, payment to Dial-A-Taxi, and other contract services.

Councilperson Jones requested the role of the City Attorney when the City enters into a contractual agreement with outside vendors.

City Attorney Cornwell remarked that he is responsible for the evaluation and review of contracts.

Councilperson Jones asked if the contract would be brought forth.

City Attorney Cornwell indicated that no contract would be submitted to the council since this resolution is being considered without a contract attached.

City Manager Duffey assured Councilperson Jones that he would bring back a copy of the contract.

Councilperson Arceneaux asked the City Attorney to address any potential for liability issues.

City Attorney Cornwell answered that he is not recommending that the vendor start without a contract and mentioned that he would be presenting an ordinance to council to reinforce the policies of resolutions and contracts.

Councilperson Arceneaux asked the City Attorney if it would be wise to approve this resolution without a contract.

City Attorney Cornwell replied that the resolution would authorize the contract.

On motion by Zurita, seconded by Arceneaux, **Resolution # 23,788** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID OF AND ENTER INTO A CONTRACT WITH KNORR SYSTEMS, INC. FOR REPAIRS TO LUEDERS PARK-WILLIAM LOVE POOL AND GONZALES PARK POOL"** was approved, by the following vote on roll call:

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

On motion by Arceneaux, seconded by Jones, the meeting was extended past the four-hour mark, by the following vote on roll call:

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

6. 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 **(REMOVED PER CITY MANAGER)**

APPROVAL OF WARRANTS

7. Warrant #216116 - 6/11/13 - 1st PMF Bancorp (formerly Smart-Tek) - Emergency Transportations and Basic Life Support Services - $80,030.12 - Requested by: City Manager

   Warrant #216579 - 6/20/13 - Trimming Land Co Inc. - Additional Tree Trimming - $85,770.33 - Requested by: City Manager

Mayor Perrodin voiced a concern for personal issues affecting fire personnel's ability to select emergency transportation services from within the City.

Councilperson Dobson asked that the City consider contracting with local agencies first before considering outside agencies.

Councilperson Arceneaux agreed and stated that she hopes that in the future the City will contract with local agencies for emergency transportation services.

Councilperson Jones proposed that the City develop a contract for this service.

On motion by Arceneaux, seconded by Jones, warrant number 216116 was approved, by the following vote on roll call:

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

On motion by Arceneaux, seconded by Jones, warrant number 216579 was approved, by the following vote on roll call:

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

The City Council meeting was suspended to open the Successor Agency meeting.

On motion by Zurita, seconded by Arceneaux, the City Council meeting was reconvened at 11:21 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

Councilperson Zurita cordially invited the community to partake in "Coffee with the Captain" on Wednesday, June 26, 2013 at 10 a.m. to 12 p.m. at 7 Eleven located in the Rosecrans Crossings shopping center.

#1.

Councilperson Zurita notified the residents that City Hall would be closed Thursday, June 27, 2013 due to furloughs.

Councilperson Zurita went on to thank Councilperson Dobson and Mayor Perrodin for their service to the citizens of Compton.

Councilperson Arceneaux thanked Councilperson Dobson and Mayor Perrodin for their commitment to the betterment of the City of Compton.

Councilperson Jones commended Mayor Perrodin and Councilperson Dobson for their dedicated service to the citizens of Compton.

Councilperson Dobson thanked the citizens of Compton for allowing her to represent them.

Councilperson Dobson also expressed her appreciation to Mayor Perrodin for selecting her to sit on the City Council and asked that the community continue to support the Homeless Veterans Stand-down with donations and volunteerism.

Councilperson Dobson also thanked her sister-in-law Patrice Hooper for working diligently as her liaison.

Mayor Perrodin thanked God for giving him the opportunity to represent and be the mayor of the City of Compton. The Mayor also expressed his appreciation to the following individuals for their commitment to the betterment of the City of Compton: Mr. Gutierrez, Ronnie Burton, Rodney, Jackie Fisher, Carl Steele, Jacquelle Porter, Verna Porter, Pastor Newman, Bishop R. D. Sanders, Pastor Smith, Bishop L. Daniels Williams, Ms. Hollis and the Concerned Citizens of Compton, Royce Esters and NAEJA, Lestean Johnson and the Compton Chamber of Commerce, Paulette Gibson and the NAACP, Ms. Weasel, Yvette Perrodin, Percy Perrodin, Joyce Kelly, Lynn Boone, William Kemp, Mr. Strickland, Lorraine Cervantes, Benjamin Holifield, Ms. Postelle, Mr. Linnell, Compton city employees and elected officials.

ADJOURNMENT

On motion by Zurita, seconded by Arceneaux, the meeting was adjourned at 12:04 a.m. in memory of **James A. Toliver**, 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**

JULY 2, 2013

The City Council meeting was called to order at 6:26 p.m. in the Council Chambers of City Hall by Mayor Aja Brown.

ROLL CALL

Council Members Present: Zurita, Galvan, Arceneaux, Jones, Brown
Council Members Absent: None

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

6:00 P.M. - PUBLIC HEARING - HOUSING ELEMENT 2006-2014 GPA 2012-2 AND MITIGATED NEGATIVE DECLARATION 932 **(Item #2)**

On motion by Zurita, seconded by Arceneaux, the public hearing was opened at 6:26 p.m., by the following vote on roll call:

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

Robert Delgadillo, interim director of Planning and Economic Development Department, presented the staff report.

AUDIENCE COMMENTS ON THE HEARING

Benjamin Holifield, Compton resident, inquired about housing facilities for the homeless community.

Mr. Delgadillo stated that housing programs for the homeless community are addressed through the Local Housing Authority, LAHSA, and Volunteers of America.

Rudolfo Ruval, Compton resident, requested the development of more housing programs for the homeless in the next twelve months. Mr. Ruval also requested the implementation of more open space and a mass removal of blighted buildings.

Juanita Green-Wright, Compton resident and chair of the Planning Commission, articulated her support for the proposed Housing Element.

Lorraine Cervantes, Compton resident, asked that Mr. Delgadillo verify whether or not the senior residential facility located in the Fourth District would be torn down to accommodate the I-710 Freeway expansion.

City Manager Duffey indicated that the freeway expansion could possibly encroach closer to the property, but it will not be torn down.

Carol A. Bradley Jordan, Compton resident, questioned if there were funds available in the 2013-14 fiscal year budget to enforce the goals of the Housing Element. Ms. Jordan further contested the approval of additional low income housing in the City of Compton.

William Scott, Compton resident, indicated that it was difficult for him to understand the information provided in the staff report and proposed that the information be simplified for the public. Mr. Scott went on to cite a lack of information regarding home buying and the guidelines for such.

Mr. Delgadillo explained to Mr. Scott that housing programs are ongoing with detailed information available in the Successor Agency.

City Manager Duffey mentioned that the agenda is available online.

Tomas Carlos, Compton resident, asked if the presentation would be available online and agreed that it would have been easier to follow had the audience been given handouts.

Mr. Delgadillo notified Mr. Carlos that the programs listed within the Housing Element are available online on the Planning Department's website and that the Successor Agency and Housing Authority actually implement the programs. Mr. Delgadillo also mentioned that the public notification process began in 2007, after which various meetings were held, and in 2011 a contractor was hired to distribute 1,000 notifications to the residents of the community.

Joyce Kelly, Compton resident, alleged that only the family and friends of elected officials are privy to Residential Rehabilitation and First Time Homebuyers programs. She indicated that not many residents in the City of Compton have computers and that it was a cop-out for staff to continue to say that information is available online.

Mayor Brown advised residents to contact the Planning Department for more information regarding the Housing Element and housing programs.

Lynn Boone, Compton resident, argued that some of the information within the Housing Element is false and outdated.

Micah Ali, Compton resident and member of the Compton Unified School District Board of Trustees, stated that he would like to see a Housing Element that incorporates the transit corridor and the commercial corridor establishing Compton as a viable community.

On motion by Zurita, seconded by Arceneaux, the public hearing was closed at 7:12 p.m., by the following vote on roll call:

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

COUNCIL COMMENTS ON THE HEARING

Councilperson Arceneaux asked that Council consider the recommendation of the Planning Commission to shift the Wilmington Boulevard overlay zone to Willowbrook Avenue.

Councilperson Jones thanked the Planning Commission and staff for their diligence and efforts to complete the Housing Element.

Councilperson Zurita inquired about why the City is proposing an influx of low income housing structures. Mr. Delgadillo replied that it is a directive from the state of California.

Councilperson Zurita asked Mr. Delgadillo if the document was certified by the State. Mr. Delgadillo replied affirmatively.

Councilperson Zurita requested the protocol to making amendments to the Housing Element.

Mr. Delgadillo replied that the state of California has indicated to him that as long as the intent remains the same the location of the overlay zone is inconsequential.

Mayor Brown asked if the state of California has the same mandate for all communities as it relates to the concentration of low income zones. Mr. Delgadillo stated that legislation requires each municipality to adopt certain zones where transitional, emergency, and supportive housing are a by-right use. And as a result, staff has recommended the implementation of overlay zones to best accomplish those goals.

City Manager Duffey stated that senior housing is an excellent way to fulfill the requirements of the state of California.

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Emily Holifield, Compton resident, announced her availability to assist the elected officials in moving the City forward.

Benjamin Holifield, Compton resident, asked that the City consider brighter lights along Long Beach Boulevard. He also requested a complete reevaluation of department head duties and responsibilities.

Mary Patterson, Compton resident, proposed that the Metro 127 bus line runs every half hour Monday through Friday and every hour on the weekend. She requested an opportunity to serve on a bus rider's committee, and that the City creates a bus route that stops at both the Downtown Compton Shopping Center and the Gateway Towne Center.

City Manager Duffey notified Ms. Patterson that the City previously allocated $800,000 for new buses which is scheduled to arrive in August 2013. Mr. Duffey also stated that he could bring back an item that addresses the current Renaissance bus route.

Mayor Brown notified Ms. Patterson that staff would create a transportation advisory committee if enough residents are interested in being a member.

Will Scott, Compton resident, asked that the public be given a specific time to address agenda items. He also asked that citizens be given additional information regarding the resolutions presented on the council agenda, and if agenda books are available for purchase.

Carol A. Bradley Jordan, Compton resident, accused Charles Davis and Basil Kimbrew of trying to deceive the people of Compton. She indicated that never again will the residents of Compton allow organizations to shove Aja Brown down their throats. She went on to state that she has been asked on several occasions, who the [expletive] is Aja Brown.

Mayor Brown warned Ms. Jordan that profanity would not be allowed in the Council Chambers.

{Inaudible noise from the audience}

Mayor Brown recessed the meeting at 7:50 p.m. and reconvened at 7:56 p.m.

Floyd Smith, Compton resident, petitioned the City to evaluate the feasibility of creating entertainment and recreational developments to accommodate the youth and existing and prospective residents coming into the City.

Pastor Brown, First Charity Missionary Baptist Church, commended Councilperson Galvan for instituting a prayer team and "Love Your Neighbor" campaign at his church. Pastor Brown also announced that he would be back to present the activities they have planned for the City's 125th birthday celebration. Pastor Brown went on to request that the streets be repaired on Central Avenue from Rosecrans Avenue to the 91 freeway.

Julius McClendon, Compton resident, asked that Councilperson Galvan continue to uphold the integrity of his neighborhood.

Joyce Kelly, Compton resident, petitioned the City Attorney to define the terms that are considered profane in the Council Chambers. She went on to state that she was disheartened to discover that the City would not remove graffiti from property not located along the thoroughfares.

#1.

Lorraine Cervantes, Compton resident, counseled Mayor Brown not to allow other elected officials to rule the meetings.

Lynn Boone, Compton resident, referenced Item Number One and contended that previously approved resolutions #23,422 and #22,901 did not address the usage of the bond funds in this way. She spoke in opposition to the I-710 Freeway Expansion and indicated that it was hurtful that councilpersons were willing to sell out the City of Compton for campaign contributions.

CONSENT AGENDA

There were no items on the Consent Agenda.

REGULAR AGENDA

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

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

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

1. 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

City Attorney Cornwell reported that a public hearing and variation of this resolution was before this Body on June 18, 2013. Mr. Cornwell indicated that on September 11, 2007 the City Council approved a resolution to provide for the issuance of lease revenue bonds to refinance outstanding certificates of participation issued in 1997 and to finance various additional projects. $4M was allocated as a project to be paid from this bond source although currently $665,000 in additional invoices and costs have incurred. Staff is proposing to amend the $4M and increase the amount by $665,000 to pay off those additional invoices and costs. Additionally, the City has received through litigation $260,000 that staff is asking to be deposited with this bond project. Pursuant to that settlement agreement with the prior version of this resolution coming to Council, the City is behind in its final payment and the opposing counsel has requested and additional $10,000 in damages of which staff is requesting to be paid from the general fund to satisfy those costs and cut off any further damages.

Councilperson Arceneaux commented that the additional $10,000 would not have been a part of the original agreement had the item been approved June 18, 2013.

On motion by Zurita, seconded by Arceneaux, **Resolution #23,789** entitled **"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"** was approved, by the following vote on roll call:

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

2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING MITIGATED NEGATIVE DECLARATION NO. 932 FOR GENERAL PLAN AMENDMENT NO. 2012-2 AND AMENDING THE GENERAL PLAN TO INCORPORATE THE HOUSING ELEMENT 2006 - 2014

Councilperson Arceneaux recommended that Council consider the Planning Commission's decision to shift the overlay corridor from Wilmington to the Willowbrook area.

Councilperson Zurita asked Mayor Brown if the Housing Element could be modified at any time.

Mayor Brown replied affirmatively and added that this particular amendment would bring the City of Compton current in terms of compliance with the state of California.

Robert Delgadillo, interim director of Planning Department, commented that Council could adopt the Housing Element now and modify the overlay zone from Wilmington to Willowbrook.

Mayor Brown requested a report regarding the implications and secondary impacts of moving the overlay zone to the Willowbrook area.

On motion by Zurita, seconded by Arceneaux, **Resolution #23,790** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING MITIGATED NEGATIVE DECLARATION NO. 932 FOR GENERAL PLAN AMENDMENT NO. 2012-2 AND AMENDING THE GENERAL PLAN TO INCORPORATE THE HOUSING ELEMENT 2006 - 2014"** was approved, by the following vote on roll call:

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

COUNCIL COMMENTS

City Treasurer Sanders welcomed the newly elected City Council members to the dais.

Councilperson Zurita asked if it was proper to address the appointment of mayor pro-tem at this time.

City Clerk Godwin announced that the item would be addressed on next week's council agenda.

Councilperson Zurita asked the city manager to provide an update on the pool schedule.

City Manager Duffey announced that Lueders Park pool is open and Gonzales Park pool will be ready July 26, 2013.

Councilperson Zurita asked that the pool schedule be posted online and that the city manager address the inoperable traffic signal at Central Avenue and Compton Boulevard. Ms. Zurita also requested an update on the stripes on Central Avenue.

City Manager Duffey assured Councilperson Zurita that the resources for repainting the stripes are being identified.

Councilperson Zurita also thanked the Social Justice Coalition and Community Action organization for recognizing her work in the community.

Councilperson Galvan thanked everyone that helped and supported him and added that he is looking forward to working with this City Council. Mr. Galvan asked that the "Welcome to Compton" signs be fixed and that staff contact the owners of the yellow donation boxes. Mr. Galvan commented on the condition of Cesar Chavez Park and asked that the area be cleaned up and maintained.

#1.

City Manager Duffey explained that the lettering on the "Welcome to Compton" signs would be repaired sometime this week or next week. Mr. Duffey confirmed that the City has contacted the owners of the yellow boxes and is working diligently with the City Attorney's Office to prepare an ordinance to limit the number of boxes allowed in the City. Mr. Duffey further noted that he would direct staff to clean up Cesar Chavez Park.

Councilperson Arceneaux notified the residents that a proposed House Bill would cut millions of dollars from Community Development Block Grant (CDBG) funds, Home program funds, Tiger program funds (eliminates all funding), HUD Choice funds (eliminates all funding), and a portion of Transportation funding sources.

Councilperson Arceneaux also announced that Coast to Coast Career Fairs would be hosting a "Los Angeles Job Fair" to be held on Monday, July 15, 2013 from 11 a.m. to 2 p.m. at the Radisson Los Angeles Airport Hotel. For more information regarding this event please go to www.coasttocoastcareersfairs.com.

Councilperson Arceneaux directed the city manager to work diligently to re-establish the Youth Commission.

Councilperson Arceneaux warned the Compton community that the West Nile Virus has been detected in the city of Long Beach and city health officers are encouraging residents to take precautions. For more information on how you can protect yourself against the West Nile Virus please call the Department of Health at (888) WNV-BIRD or email your concerns to www.westnile@ca.gov.

Councilperson Jones stated that he is looking forward to working with this new administration.

Mayor Brown commended the current administration for their willingness to collaborate and work together to serve the Compton community. Ms. Brown stated that the Council is working diligently on behalf of the citizens with regard to a council policy agenda, various youth coalitions and programs, and a "Compton Community Clean-Up" event to be held on Saturday, July 20, 2013 starting at the Martin Luther King Jr. monument at 7:30 a.m.

Mayor Brown also announced that the City would be creating a non-profit coalition roundtable to provide the local organizations an opportunity to come together and identify the types of services available in the City of Compton.

Mayor Brown mentioned that she would be working with the city manager to bring back a "State of the City Address" during the holiday months, and that Council would be implementing a gang intervention and prevention program in their perspective districts.

Mayor Brown acknowledged the rise in crime during the summer months and added that she is looking forward to an expansion of existing services to address the issues in the community.

Mayor Brown thanked the people of Compton for trusting her to represent them and affirmed that she is looking forward to serving the residents of Compton in this new capacity.

Councilperson Jones requested that the meeting be adjourned in the memory of Mattie Ferguson Taylor.

ADJOURNMENT

On motion by Zurita, seconded by Arceneaux, the meeting was adjourned at 8:56 p.m. in the memory of **Mattie Ferguson Taylor**, by the following vote on roll call:

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

_____ _____

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

JULY 9, 2013

The City Council meeting was called to order at 7:25 p.m. in the Council Chambers of City Hall by Mayor Aja Brown.

ROLL CALL

Council Members Present: **Zurita, Galvan, Arceneaux, Jones, Brown**
Council Members Absent: **None**

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

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Tony Hicks, Compton resident, cordially invited the City Council to participate in Compton's 125th Birthday Celebration Planning Committee meeting to be held on Thursday, July 11, 2013 at 6 p.m. in the Blue Room. For additional information regarding this event log on to Facebook and search Compton 125 Project.

Benjamin Holifield, Compton resident, celebrated Councilperson Galvan for his community activism and proposed that all council members check, monitor, and rehabilitate their districts. He proposed that Code Enforcement, Public Works, and Parks and Recreation be re-evaluated for their performance and ability to clean up the City. He asked that staff speedily address the gateway to the Compton Creek and suggested that council partner with long time residents willing to work and move the City forward at no charge.

Councilperson Arceneaux asserted that she monitors the Third District regularly and her liaison tracks and monitors the Third District as part of her daily duties.

Councilperson Jones notified Mr. Holifield that staff is working with Public Works to address the vacant lot near the corner of Alondra and Long Beach Boulevard. Dr. Jones maintained that he monitors his District regularly and reports back to staff to resolve those issues.

Cierra Evans, Compton resident, reported trash at Wilson Park and asked that Parks and Recreation address this matter immediately.

Maria Villa Real, Compton resident, petitioned the City Council to have a Spanish translator every week.

City Clerk Alita Godwin stated that Spanish translation is available every week.

Ms. Villa Real warned the small business community about a group of individuals calling and threatening to turn off their electricity.

Mayor Brown directed the city manager to mail postcards requesting email information from new and existing business owners so that when things like this occur, email alerts can be sent out at no cost to the City.

Herbert Arceneaux, Compton resident, expressed concerns for everyone on the City Council treating each other as equals, code enforcement, audience comments at the end of the meeting, the enforcement of codes and collection of fees, declaring properties a public nuisance, and starting the meeting at the same time each week.

Mayor Brown warned the public that she would not allow comments and disruptions from the audience.

[Inaudible noise from the audience]

Mayor Brown warned Ms. Stokes that she would not allow comments from the audience.

[Inaudible noise from the audience]

Mayor Brown warned Ms. Stokes that next time she would ask her to leave.

[Inaudible noise from the audience]

Mayor Brown asked that Ms. Stokes leave the Council Chambers and requested a two minutes recess.

The meeting recessed at 7:47 p.m. and reconvened at 7:55 p.m.

Councilperson Zurita requested a report regarding the city-wide accomplishments achieved by this City Council in the last twelve months.

Mayor Brown conceded that the "State of the City Address" would cover what was accomplished in the previous months and what is to come in the future.

Councilperson Zurita suggested that a small presentation be held because a lot has been accomplished by this council and city manager.

Christian Renaga, Compton resident, petitioned the City Council to continue to support youth programs and Careerlink.

Marvin Kinzie, Compton resident, petitioned the City Council to install an afterhour's public restroom facility at Gonzales Park.

Councilperson Zurita assured Mr. Kinzie that staff is currently reviewing grant funding sources to install an afterhour's restroom facility and a complete rehabilitation of the park.

Mayor Brown notified the residents that the restroom facility at Gonzales Park was torn down due to human health and safety hazards of drug abuse and prostitution. Ms. Brown also requested a report regarding the cost of installing pre-fabricated restroom facilities in the park.

Councilperson Arceneaux mentioned that there were discussions to tear down the restroom at Raymond Street Park due to the activities taking place there, as well.

Will Scott, Compton resident, contended that it was unnecessary for the city manager to lie about the postponement of the 7 Eleven Store public hearing. He also requested that Councilperson Arceneaux open up a public forum to allow the citizens an opportunity to express their concerns on a monthly basis.

Mayor Brown opened the floor to the City Clerk.

City Clerk Alita Godwin stated that she received an email from the owner of 7 Eleven requesting that the public hearing be scheduled for July 16, 2013.

City Manager Duffey cautioned Mr. Scott to be careful about whom he slanders.

Mayor Brown stated that she would not allow disruptions from the audience and asked the City Attorney to make a point of clarification as it relates to City employees.

City Attorney Cornwell stated that within the public forum public officials are held to a higher standard, so although they are in position for criticisms there are limits.

Tomas Carlos, Compton resident, petitioned the City Council to rehabilitate Gonzales Park to what it was in the 1980's. He also proposed that surveillance cameras be installed near the entrance of the restroom facilities at Gonzales Park to deter unwanted behavior. He went on to thank Richard Earl and his partner in the Compton Fire Department for attending to his family when his father passed away.

Michael Turner, Compton resident, proposed that surveillance cameras be installed in the alleyways. He also asked that persons and onlookers observing the women on Long Beach Boulevard not be fined. He spoke in opposition to penalizing business owners when people litter in front of their businesses and went on to ask if the City had already addressed the allotment of 20 units of water per apartment dwelling.

Councilperson Arceneaux asked that Mr. Turner give the City Council some time before he forms any judgments.

Mayor Brown asked the city manager to look at the rate of consumption for multi-unit properties to determine the feasibility of adjusting the rate for multi-unit properties while generating the required revenue.

Lynn Boone, Compton resident, proposed that the strategic plan be formed and implemented by an educated city employee with knowledge of the City's history. She mentioned that there were local churches being investigated by the Internal Revenue Service due to their alliance with the political process and further maintained that long time residents had significant trust issues if they allowed the County of Los Angeles to take over the City.

Councilperson Zurita requested a special privilege to allow Seneta Farley to speak for three minutes.

Mayor Brown indicated that she would not permit the request due to the appearance of favoritism.

6:00 P.M. - PUBLIC HEARING - APPEAL OF PLANNING COMMISSION DECISION TO DENY/UPHOLD CONDITIONAL USE PERMIT CASE NO. 2720 - 7/11 STORE - 1562 S. Long Beach Blvd. **(RESCHEDULED TO JULY 16, 2013 AT 5:50 P.M.)**

CONSENT AGENDA

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

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

APPROVAL OF MINUTES

1. JUNE 18, 2013 - **(Approved)**

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

2. INVESTMENT REPORT - May 31, 2013 - **(Received/Filed)**

END CONSENT AGENDA

#1.

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES

3. APPOINTMENT(S) OF OFFICERS, COUNCIL MEMBERS, BOARDS/COMMISSIONS AND COMMITTEES

On motion by Jones, seconded by Zurita, **Yvonne Arceneaux** was appointed to the position of Mayor Pro-Tem, by the following vote on roll call:

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

CITY MANAGER'S REPORTS

4. A REQUEST TO SCHEDULE A PUBLIC HEARING TO CONSIDER A SUBSTANTIAL AMENDMENT TO THE CITY OF COMPTON'S HUD MANDATED ANNUAL ACTION PLAN FOR FISCAL YEAR 2012-2013

On motion by Arceneaux, seconded by Jones, the public hearing was scheduled for July 23, 2013 at 5:50 p.m., by the following vote on roll call:

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

CITY ATTORNEY'S REPORTS

CLOSED SESSION

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

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

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

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER AND EXECUTE A CONTRACT WITH DATA TICKET INC. TO PROVIDE ADMINISTRATIVE CITATION PROCESSING AND REVENUE COLLECTION

City Attorney Cornwell informed the City Council that Section 1.3 of the contract may be under additional negotiations dealing with the time for the City to receive payment from the company, and Section 3.5 may be under further negotiation as well. Neither prevents the resolution from adoption.

On motion by Zurita, seconded by Arceneaux, **Resolution # 23,791** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER AND EXECUTE A CONTRACT WITH DATA TICKET INC. TO PROVIDE ADMINISTRATIVE CITATION PROCESSING AND REVENUE COLLECTION"** was approved, by the following vote on roll call:

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

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO RENEW THE FOLLOWING INSURANCE POLICIES: CRIME; DIRECTORS AND OFFICERS/EMPLOYMENT PRACTICES; EXCESS GENERAL LIABILITY; PROPERTY; DIFFERENCE IN CONDITIONS; EXCESS WORKERS' COMPENSATION; ATHLETICS GENERAL LIABILITY AND GROUP ACCIDENT; BUSINESS AUTO AND EXCESS, AND AUTO PHYSICAL DAMAGE

On motion by Zurita, seconded by Arceneaux, **Resolution #23,792** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO RENEW THE FOLLOWING INSURANCE POLICIES: CRIME; DIRECTORS AND OFFICERS/EMPLOYMENT PRACTICES; EXCESS GENERAL LIABILITY; PROPERTY; DIFFERENCE IN CONDITIONS; EXCESS WORKERS' COMPENSATION; ATHLETICS GENERAL LIABILITY AND GROUP ACCIDENT; BUSINESS AUTO AND EXCESS, AND AUTO PHYSICAL DAMAGE"** was approved, by the following vote on roll call:

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

APPROVAL OF WARRANTS

8. Warrant #216667 - 6/26/13 - CDWG - Backup Software for Virtual System - $7,484.16 - Requested by: City Manager

   Warrant #216668 - 6/26/13 - CDWG - Replacement Server for the IFAS System - $48,480.61 - Requested by: City Manager

   Warrant #216669 - 6/26/13 - CDWG - Purchase of SANS - Cluster Hard Drives - $16,956.85 - Requested by: City Manager

   Warrant #216659 - 6/26/13 - All Star Interpreting Service - Spanish Interpreting -June 4 and 11, 2013 - $1,500.00 - Requested by: City Clerk

   Warrant #216581 - 6/24/13 - All Star Interpreting Service - Spanish Interpreting - March 2013 - May 2013 - $8,093.75 - Requested by: City Clerk

   Total Amount - $82,515.37

Councilperson Arceneaux requested an explanation of the services provided by CDBG.

City Manager Duffey explained that warrant numbers 216668 and 216667 pay for service support to the City Controller's financial system; and warrant number 216669 pays for more hard drive space for the assistant city manager.

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

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

COUNCIL COMMENTS

Councilperson Zurita announced plans to restore the Cesar Chavez and Martin Luther King Jr. monument at Willowbrook and Compton Boulevard. Ms. Zurita also announced that she would be giving away eight tickets to the Los Angeles Philharmonic to the first eight people that contact her office.

Councilperson Zurita announced that the Gonzales Park pool is scheduled to be opened July 31, 2013.

Councilperson Zurita proposed that the City take inventory and provide signage in areas of excessive crime. Ms. Zurita also announced the Compton Initiative "First District Clean-Up" event to be held on Saturday, July 20, 2013 at the Compton Courthouse at 7 a.m. For additional information please contact Kiero Jo at (310) 605-5510.

Councilperson Zurita also announced that Downtown Rescue would be offering free spay and neutering services for dogs on Saturday, July 13, 2013 at East Rancho Dominguez Park. For additional information please call (818) 407-4145.

Councilperson Zurita invited the residents to participate in "Let's Move Compton Day" to be held on Saturday, September 7, 2013 at Gonzales Park. For more information please call Kiero Jo at (310) 605-5510.

Councilperson Zurita also announced that Pastor Withers would be hosting a Guide Right program parent orientation event to be held on Sunday, July 14, 2013 at 9 a.m. at Unity Christian Fellowship located at 16133 South Atlantic Avenue.

Councilperson Zurita further requested that the meeting be adjourned in the memory of Naomi Smith.

Councilperson Galvan thanked Councilperson Jones for inviting him to his Fourth of July block party over the weekend. Mr. Galvan asked the city manager to look into how the City of Compton could access Southern California Edison Rule 28 funds.

Councilperson Galvan invited the residents to participate in a “Three-on-Three Basketball Tournament" to be held on Saturday, July 27, 2013 at 9 a.m. at Wilson Park. The event will include: gift cards, trophies, shoes, and food.

Councilperson Galvan encouraged the community to support the circus on Rosecrans Avenue and Pops Chicken at 1701 East Compton Boulevard.

Councilperson Galvan also asked that the business community attend the Compton Business Chamber meeting to be held on Thursday, July 11, 2013 at 12 p.m. in the Compton Banquet Hall.

Councilperson Arceneaux directed the city manager to schedule a "Third District Town Hall Meeting" for the month of October 2013 at Burrell McDonald Park.

Councilperson Arceneaux also requested that the meeting be adjourned in the memory of Daniel Blanton and the 19 Arizona firefighters that were killed while fighting the Yarnell Hills fire on June 28, 2013.

Councilperson Jones thanked Councilperson Galvan and City Attorney Cornwell for attending his Fourth of July neighborhood block party. Dr. Jones went on to ask that everyone remember the men and women that suffered and sacrificed for the freedoms of this country.

Councilperson Jones also asked that the community pray for the families of the two teenagers who were killed in the plane crash in San Francisco.

Mayor Brown invited the community to take their children to "A Movie in the Park" on July 19, 2013 at Gonzales Park.

Mayor Brown announced that she would be offering office hours in the coming weeks and announced that Greater Zion Baptist Church would be hosting a "Peace March" on Saturday, July 20, 2013 at 11 a.m. beginning at Alondra and Wilmington Boulevard.

Mayor Brown also mentioned that she had the opportunity to represent the City of Compton at the University of Southern California Leadership Banquet.

Mayor Brown thanked the citizens for coming out and voicing their concerns and maintained that it would take teamwork and everyone's efforts together to move the City forward.

The meeting recessed to closed session at 9:19 p.m.

On motion by Zurita, seconded by Arceneaux, the meeting reconvened July 10, 2013 at 12:06 a.m., by the following vote on roll call:

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

MEETING EXTENDED PAST THE FOUR-HOUR MARK

On motion by Zurita, seconded by Arceneaux, the meeting extended past the four-hour mark at 12:07 a.m., by the following vote on roll call:

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

REPORT OUT OF CLOSED SESSION

City Attorney Cornwell reported out of closed session the following information: City Council met in closed session (all members of City Council were present) under Public Employee Performance Evaluation Title: City Manager and City Controller pursuant to California Government Code Section 54957. No reportable action was taken.

ADJOURNMENT

On motion by Zurita, seconded by Arceneaux, the meeting was adjourned at 12:08 a.m. in the memory of **Naomi Smith**, **Daniel Blanton**, and the **19 Arizona firefighters**, by the following vote on roll call:

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

_____ _____

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

July 23, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8587/LI0000277A

SUMMARY

Council will consider the claim of James Green (Claim No. I-8587/LI0000277A), presented to the City on June 20, 2013 pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On June 20, 2013, the above claim was presented to the City Controller for property damage. Claimant alleges that on March 29, 2012, November 19, 2012 and March 11, 2013, he sustained property damage to the rims and tires of his vehicle as the result of potholes on (1) Rosecrans Avenue and Atlantic Avenue intersection, (2) Santa Fe Avenue and Rosecrans Avenue and (3) Artesia Boulevard near the 91 freeway on ramp, heading west.

Staff has conducted an investigation of this claim and notified Claimant that no action was taken on part of his claim because it was not presented within six months after the event or occurrence as required by law per Government Code Section 901 and 911.2. Additionally, it appears Claimant replaced all four stock tires with low profile tires, which carry a risk of damage to his vehicle that stock tires typically do not.

FINANCIAL IMPACT

Five Hundred Thirty Seven Dollars and Seventy Six Dollars ($537.76).

RECOMMENDATION

Staff recommends that this claim be denied.

/S/
CRAIG J. CORNWELL
CITY ATTORNEY

July 23, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8585/LI0000276A

SUMMARY

Council will consider the amended claim of Golden Iron, Inc. (Claim No. I-8585/LI0000276A), presented to the City on June 11, 2013, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On June 11, 2013, the above claim was presented to the City Controller by a law firm representing Golden Iron, Inc. Claimant alleges they provided construction goods and services related to the Martin Luther King Transit Center Project pursuant to a contract with their general contractor, Mepco Construction Company. Claimant states that they made repeated demands on April 25, 2013 but have been denied payment.

Although Claimant contends the date of incident is April 25, 2013, Staff believes the statute of limitations may have begun to run earlier and may be untimely, but will need to do additional investigation to confirm this belief.

FINANCIAL IMPACT

Three Hundred Forty Thousand Sixty Dollars and Sixty Two Cents ($340,060.62).

RECOMMENDATION

Staff recommends that this claim be denied.

/S/
CRAIG J. CORNWELL
CITY ATTORNEY

July 23, 2013

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **G. HAROLD DUFFEY, CITY MANAGER**

SUBJECT: **MAY 2013 DEPARTMENT MONTHLY REPORTS**

The City of Compton's Executive Leadership Team (Department Heads) is comprised of technical experts from a variety of different disciplines. As the City Manager, my responsibility is to lead the Executive Leadership Team by acknowledging and respecting each team member's technical expertise and supporting each department's mission to deliver core services to residents and businesses in the City of Compton.

To gauge the success of delivering core services, there are three basic questions that each department must answer:

1. What services are we delivering?
2. Why are we delivering this service (requirements/need)?
3. How are we doing (efficiency and effectiveness)?

The answers to the questions above are easily attainable through the performance management and budgetary process. As we plan for the Fiscal Year 2013-2014 budget, my goal is to engage the Executive Team to ensure that performance measurement is a non intrusive way to assess, benchmark, and deliver core services.

During the new fiscal year, the Executive Leadership Team will be heavily focused on operational and budget planning. In order to be successful, department heads have been directed to carefully document performance through monthly reports. Attached are the May 2013 monthly reports. These reports will be provided to Council on an ongoing basis as a tool to provide transparent and open communication to citizens about the City of Compton's levels of service.

G. HAROLD DUFFEY
CITY MANAGER

#3.

BUILDING AND SAFETY

TO: MAYOR AND CITY COUNCIL
G. HAROLD DUFFEY, CITY MANAGER

FROM: VICTOR OROZCO
INTERIM CHIEF BUILDING INSPECTOR

RE: MONTHLY REPORT- MAY/JUNE 2013

DATE: July 11, 2013

SUMMARY:

This monthly report is provided to the Mayor, Member of City Council, and City Manager to keep them informed of the activities within the Building and Safety Department for the month of May and June 2013.

The Building and Safety Department is responsible for implementing the California Building Codes 2010, and Energy Code 2008. As part of daily activities we review plans for code compliance, perform inspections for code compliance, as well of assist citizens, contractors, realtors, etc to respond to inquires about our permit process, construction methodology and code interpretation.

STAFF:
The Building and Safety Department consist of:

	Total	Vacant
Chief Building Inspector	1	0
Senior Building Inspector	1	1
Senior Administrative Assistant	1	0
Building Inspector II	1	0
Building Inspector I	4	0
Office assistance / Bilingual	1	0
TOTAL	9	1

(*) All inspectors are certified by the International Code Council (ICC)

#3.

HOURS OF OPERATION

- Counter hours are between 7:00AM to 12:00 PM and 1:30PM to 6:00 PM
- Plan Review over the counter 7:00 AM to 9:00
- Inspections are conducted between the hours of 8:00 AM to 5:00 PM
- Special Inspections can be conducted after hours and/or days that the city is closed (this requires special inspection fee)

PERMITS:

The building department issues the follow permits:

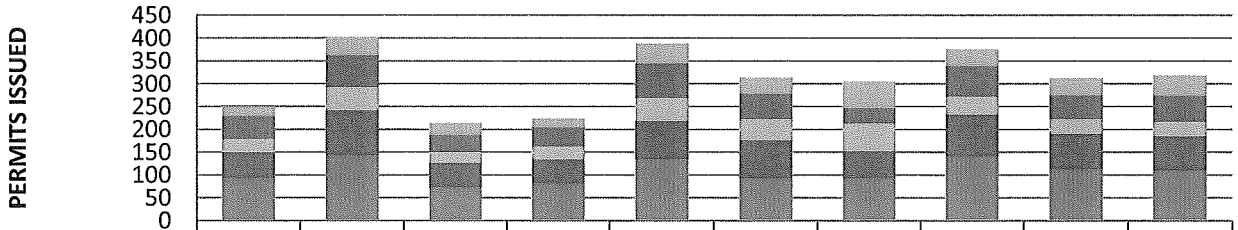
- Building Permits
- Grading Permits
- Demolition Permits
- Electrical Permits
- Mechanical Permits
- Plumbing Permits
- In addition to the above permits we issue report of Residential Records, this a city ordinance that requires that a residence prior to be transfer be inspected for compliance

The following table indicates the amount of permits issued during this months

	MAY	JUNE
BUILDING	113	111
ELECTRICAL	78	74
MECHANICAL	32	32
PLUMBING	52	57
PRE-SALE	37	44

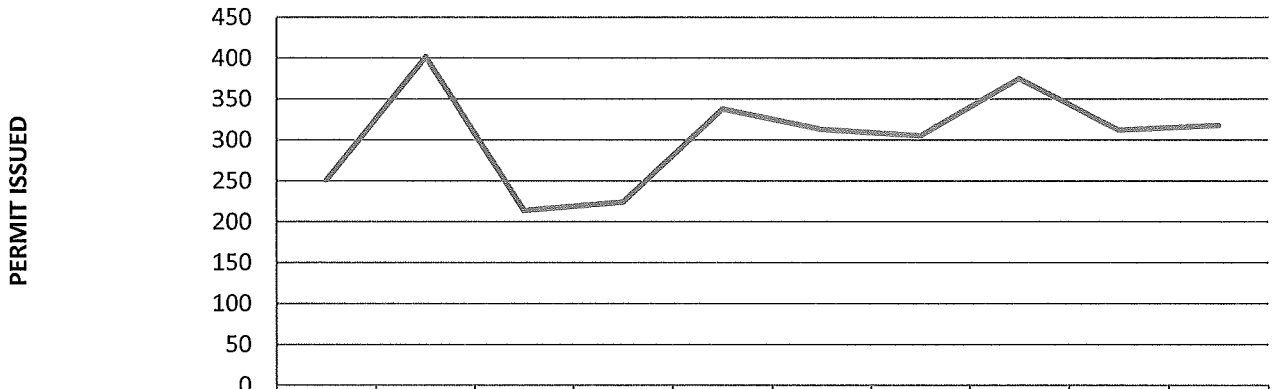
The following table indicates the amount of building permits issued within the last months

PERMIT ACTIVITIES



	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
PRE-SALE	22	39	26	20	43	35	58	36	37	44
PLUMBING	50	70	38	42	76	55	34	67	52	57
MECHANICAL	29	51	23	28	51	47	60	39	32	32
ELECTRICAL	56	98	54	53	83	83	61	92	78	74
BUILDING	94	144	73	81	135	93	92	141	113	111

TOTAL ACTIVITIES



	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
TOTAL ACTIVITIES	251	402	214	224	338	313	305	375	312	318

#3.

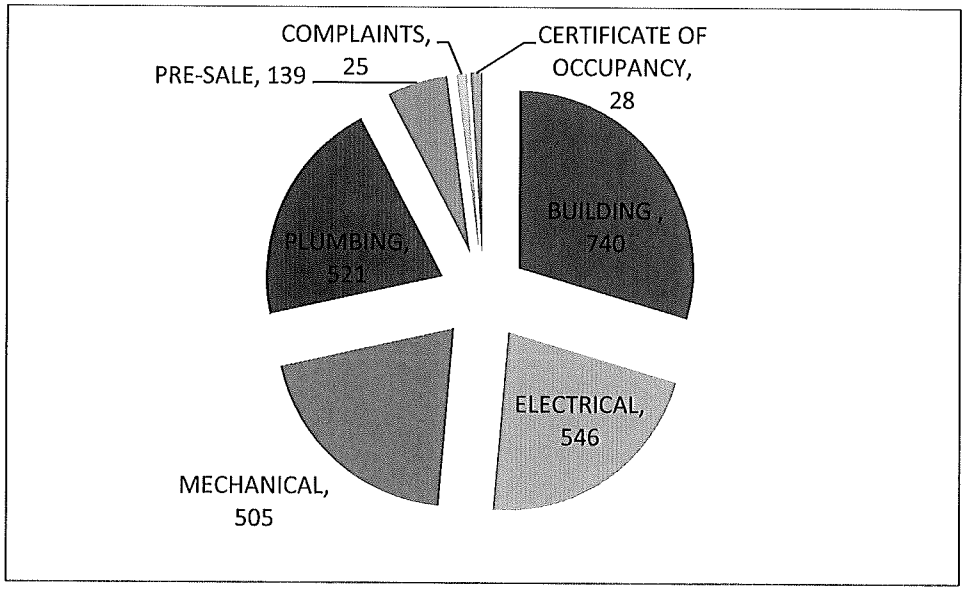
INSPECTIONS

Inspections are conducted to verify code compliance with federal, state and Municipal Codes and ordinances, in addition to required inspections by the multiple type of permits, we also conduct investigations for non permitted construction, business license occupancy, etc
A typical inspection will be conducted the next business day after a request is being made,

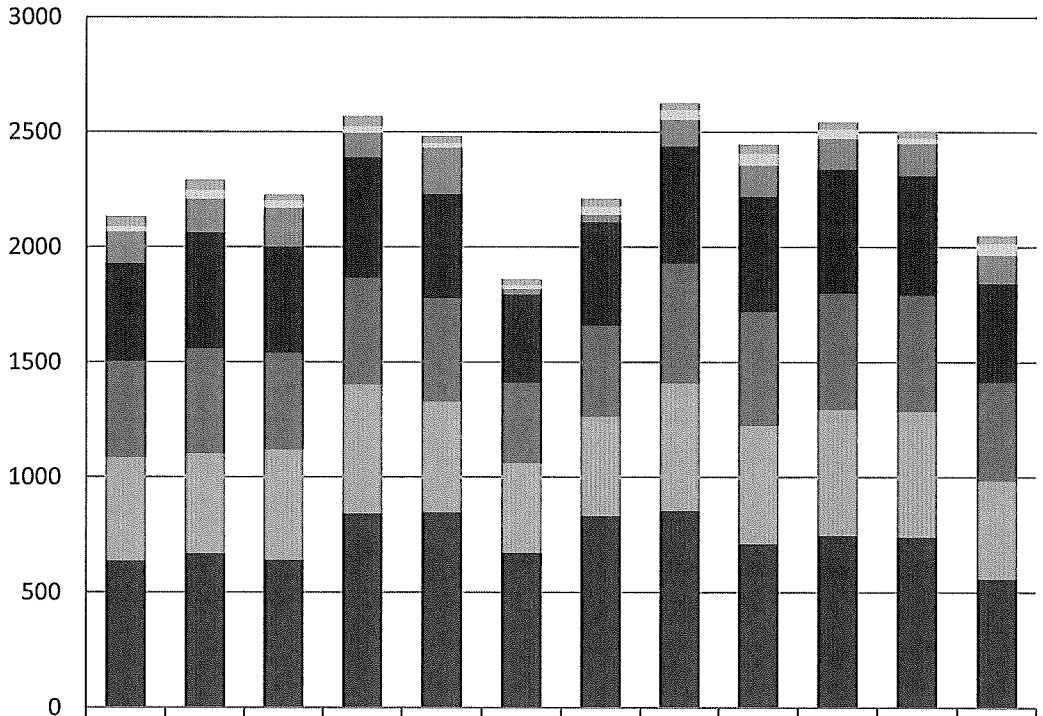
The permit and inspections activities are noted as follow:

INSPECTION	MAY	JUNE
BUILDING	740	558
ELECTRICAL	546	427
MECHANICAL	505	429
PLUMBING	521	429
PRE-SALE	139	123
COMPLAINTS	25	52
CERTIFICATE OF OCCUPANCY	28	32

The following table represent the two month of inspections

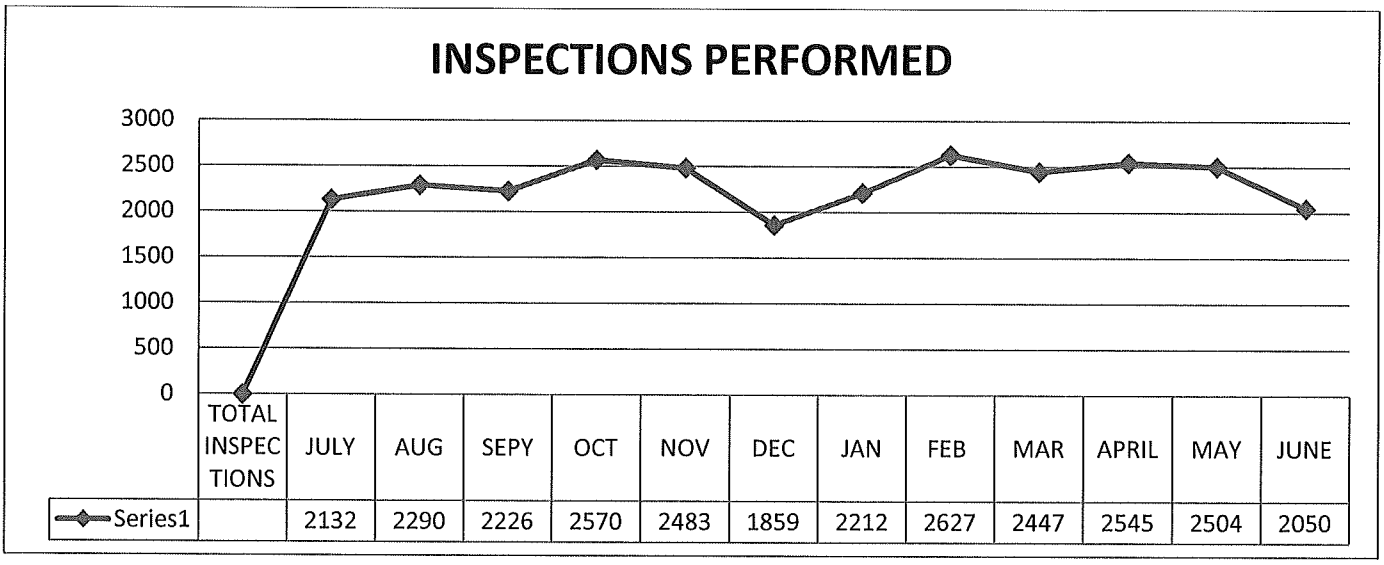


INSPECTIONS CONDUCTED



	JULY	AUG	SEPY	OCT	NOV	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE
CERTIFICATE OF OCCUPANCY	43	43	24	44	31	25	35	29	39	30	28	32
COMPLAINTS	24	38	33	30	20	16	37	43	52	42	25	52
PRE-SALE	136	147	167	106	201	23	32	116	135	134	139	123
PLUMBING	425	504	462	523	454	385	449	509	501	539	521	429
MECHANICAL	419	456	421	465	448	348	396	521	496	506	505	429
ELECTRICAL	449	433	478	560	481	390	431	554	513	546	546	427
BUILDING	636	669	641	842	848	672	832	855	711	748	740	558

#3.



SUMMARY

The Building and Safety Department is delivering an acceptable level of service, we expect this trend to continue, as noticed on the graphics the month on June our inspections were low, one of the reason was the days of service and one building inspector retired, in addition that the permits issued on May and June were lower that expected.

CAREER LINK

#3.

TO: MAYOR AND COUNCIL MEMBERS
G. HAROLD DUFFEY – CITY MANAGER

FROM: KIMBERLY MCKENZIE
CAREERLINK DIRECTOR

SUBJECT: MONTHLY REPORT – MAY 2013

SUMMARY

This monthly report is provided to the Mayor, Members of the City Council and City Administration to keep them informed regarding the activities within the CareerLink department during the month of May 2013.

REVENUE / EXPENDITURE UPDATE:

Grant	Budget	Prior YTD Cash Requested	Current Month Cash Request	Total YTD Cash Request
WIA Youth Employment Program	**$594,468**	**$319,462**	**$39,406**	**$358,868**

CUSTOMER SERVICE

During the month of May, **331** customers utilized CareerLink's job search services, i.e., computers to construct and post resumes, file employment applications online, fax machine, copier and review printed job leads in the lobby/resource area.

PERFORMANCE MEASURES/OUTCOMES

Contract Performance

MEASUREMENT/OUTCOME	PLANNED	ACUTAL
Total Enrollments	120	105
Total Exits	100	31
Total Outcomes	70	31*

*A positive outcome can be return to school, enter post-secondary education, job placement or enter the military. Historically, the department meets and/or exceeds its outcomes after June 30, 2013. After completing the outcomes the clients are exited and CareerLink is required to follow up with the Youth for 12 months after exiting the program.

State Performance

Entered Employment or Education (PLANNED)	Entered Employment or Education (ACTUAL)	Attained Degree or Certificate (PLANNED)	Attained Degree Or Certificate (ACTUAL)	Literacy and Numeracy GAINS (PLANNED)	Literacy and Numeracy GAINS (ACTUAL)
65%	96.3%	45%	46.43%	15%	37.93%

Characteristics of Youth Enrolled in Program

Gender		Age		
67 Females	(64%)	14-18	75	(71%)
38 Males	(36%)	19-21	30	(29%)

Characteristics of Youth Enrolled in Program (Continued)

Education Status	
Student High School or less	37
Student Attending Post High School	7
Out-of-School Dropout	8
Out-of-School, HS Grad w/ Employ Difficulty	18
Out-of-School, HS Grad, In School	1
Alternative School	44

BUSINESS OUTREACH

After the Steak & Fries Grand Opening, staff met with the employer and sent 4 youth clients over for interviews. Steak & Fries hired one (1) youth from CareerLink's Youth Program.

YOUTH ACTIVITIES

Youth Job Club is held every Monday and Friday from 3:30 pm – 5:30 pm, whereby Youth come to the Career*Link* Center and participant in job search activities.

Professional Development Workshops held monthly. Topics include job search techniques, Dress for Success, resume writing and interview techniques.

AUDIT REVIEW

CareerLink Department is awaiting the DRAFT document of the Youth Program monitoring review conducted during the month of March 2013. The report will be issued by the Los Angeles County Auditor Controller's Office.

GRANT APPLICATION

LA County Community and Senior Services (CSS) released a Work Order for the Summer Youth Work Experience Program and the Workforce Investment Act (WIA) Youth Employment Program. The Summer Youth Work Experience Program will run from July 1, 2013 – September 30, 2013. The Youth Employment Program will run from July 1, 2013 – June 30, 2014. CareerLink responded to both Work Orders by the deadline date.

FISCAL IMPACT

May 2013 invoice was submitted to LA County for reimbursement of expenditures for participant wages, staff salaries and program expenditures. The CareerLink Department has received reimbursements from LA County up to the month of April 2013.

KIMBERLY MCKENZIE
CAREERLINK DIRECTOR

FIRE

#3.

July 9, 2013

TO: G. HAROLD DUFFEY, CITY MANAGER

FROM: JON THOMPSON, FIRE CHIEF

SUBJECT: FIRE DEPARTMENT MONTHLY REPORT FOR MAY 2013

SUMMARY

The Compton Fire Department hereby submits the May 2013 monthly report regarding general information, revenue, activities and services provided during this period.

STAFFING:

Positions	Total Staffed	Total Authorized	Total Vacant
Battalion Chief	3	3	0
Fire Captain	15	15	0
Fire Engineer	15	15	0
Firefighters	16	19	3
Firefighter/Paramedic	18	18	0
Admin. Personnel	7	7	0
TOTAL	**77**	**77**	**3**

OVERTIME UTILIZATION:

Overtime Budgeted	Overtime Expended YTD	Projected
$600,000.00	1,125,027	1,300,00

Total Hours	Overtime	Sick	Vacation	Training
May 2013	3,307	807	1,334	147

FISCAL IMPACT:

The overtime overage was due to six vacant Fire Engineer positions and couple of members out on disability. Those Engineer positions have been and we continue to see a marked decrease in the amount of overtime.

Fire Department Monthly Report for May 2013
July 9, 2013
Page Two

DEPARTMENT ACTIVITY:

Listed below is the amount of calls for service responded to in May 2013. The total number of calls was nine-hundred and thirty-eight (938). Multiple units respond to same calls therefore the numbers in the first column is not totaled. This listed time categories are as follows:

1. The Average Call Process Time column is the amount of time taken from the call being received by law enforcement, switched to fire dispatch and fire units toned out to respond. This time is one minute and nineteen seconds (1:19)
2. The Average Turnout Time column is the time units are toned out in the station to the time they go enroute for the response. This time is two minutes and four seconds (2:04).
3. The Average Response Time column is the time the units go enroute, until the time they arrive on scene of the response. This time is four minutes and sixteen seconds (4:16).
4. The Average Dispatch to Scene column is the time the caller establishes contact, until unit/s arrival on scene of the response. This time is six minutes and twenty seconds (6:20).

The current national average response time goal is eight minutes (8:00). We are almost two minutes (2:00) below that.

Incidents (938) May 2013	Total Calls	Average Call Process Time	Average Turnout Time	Average Response Time	Average Dispatch to Scene
Engine 41	241	01:14	01:51	04:20	06:11
Engine 42	314	01:17	02:19	04:03	06:22
Engine 43	236	01:17	02:12	04:20	06:32
Engine 44	191	01:17	02:22	04:47	07:09
Truck 411	71	01:38	01:56	03:47	05:43
Paramedic 441	290	01:16	01:53	04:31	06:24
Paramedic 442	334	01:17	02:20	04:12	06:32
Paramedic 443	285	01:15	01:36	04:11	05:47
AVERAGE ALL	N/A	01:19	02:04	04:16	06:20

Fire Department Monthly Report for May 2013
July 9, 2013
Page Three

FIRE PERVENTION INSPECTIONS:

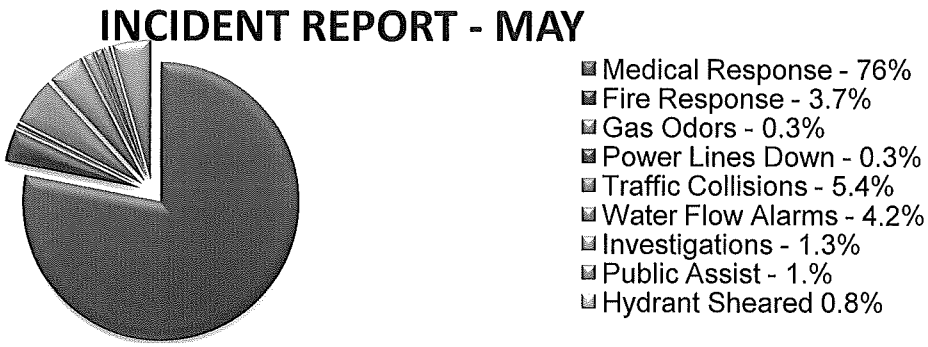
The figures listed below represent inspections completed by both engine companies and our Fire Protection Specialists. Our engine companies focus on our smaller businesses and residential facilities, while our Fire Protection Specialist focuses on all other businesses.

Engine Company Inspections	Shift A	Shift B	Shift C		Total
May 2013	43	70	34		**147**
Fire Prev. Bureau Inspections	**Annual**	**Re-Inspections**	**CO**	**Other**	
May 2013	21	14	11	13	**59**

INCIDENT BY TYPE:

Incidents	May 2013
Civil Problem/Any Domestic Violence Event	0
Fall Victim	57
Rubbish Fires	12
Vehicle Fires	7
Residential Fires	7
Commercial Fires	2
Structure Fires	4
Vegetation Fires	6
Hazardous Spills	3
Gas Odors	2
Power Lines Down	5
Smoke	5
Medical Aid	645
Traffic Collisions	67
Water Flow Alarms	26
Unclassified	51
Investigations	3
Public Assist	14
Hydrant Sheared off/Water line break outside	3
Special Assignment	5
Mental Health	13
Water Rescue	1
Total Number of Incidents	**938**

Fire Department Monthly Report for May 2013
May 16, 2013
Page Three



REVENUE STATUS:

Description and Account Number	Revenue	Fiscal Year 12-13 Revenue To Date	Percentage of Revenue Received
Permits 1001-3265	1850.	51,849.	115%
Tank Removal 1001-3266	3545	20,979.	96%
City Provided Medical 1001-3618	104,106.	1,030,819.	85%
Special Fire Dept. 1001-3623	245.	6,397.	156%
Hazmat Fee 1003-3672	0	4,959	3%
Plan Check 1001-3640	161,676.	441,982	129%
TOTAL	**271,422.**	**1,556,985.**	**97.33%**

EMERGENCY PREPAREDNESS ACTIVITIES:

5/11/13 – EM Preparedness and CERT Booths at CFD Fire Service Day/Open House

5/14/13 – Community EM Preparedness Monthly Meeting (PAC RED)

5/15/13 – LACCDR Project Training Workshop

RECOMMENDATIONS:

It is recommended to receive and file the May 2013 Monthly Report regarding the activities, revenues, and other general information from the Compton Fire Department.

JON THOMPSON
FIRE CHIEF

GENERAL SERVICES

#3.

HUMAN RESOURCES

LOCAL HOUSING AUTHORITY

#3.

COMPTON LOCAL HOUSING AUTHORITY
MONTHLY REPORT

July 16, 2013

TO: Mayor and City Council
G. Harold Duffey, City Manager

FROM: Delmonsha Green
Interim Housing Director

SUBJECT: MONTHLY MANAGEMENT REPORT (MAY 2013)

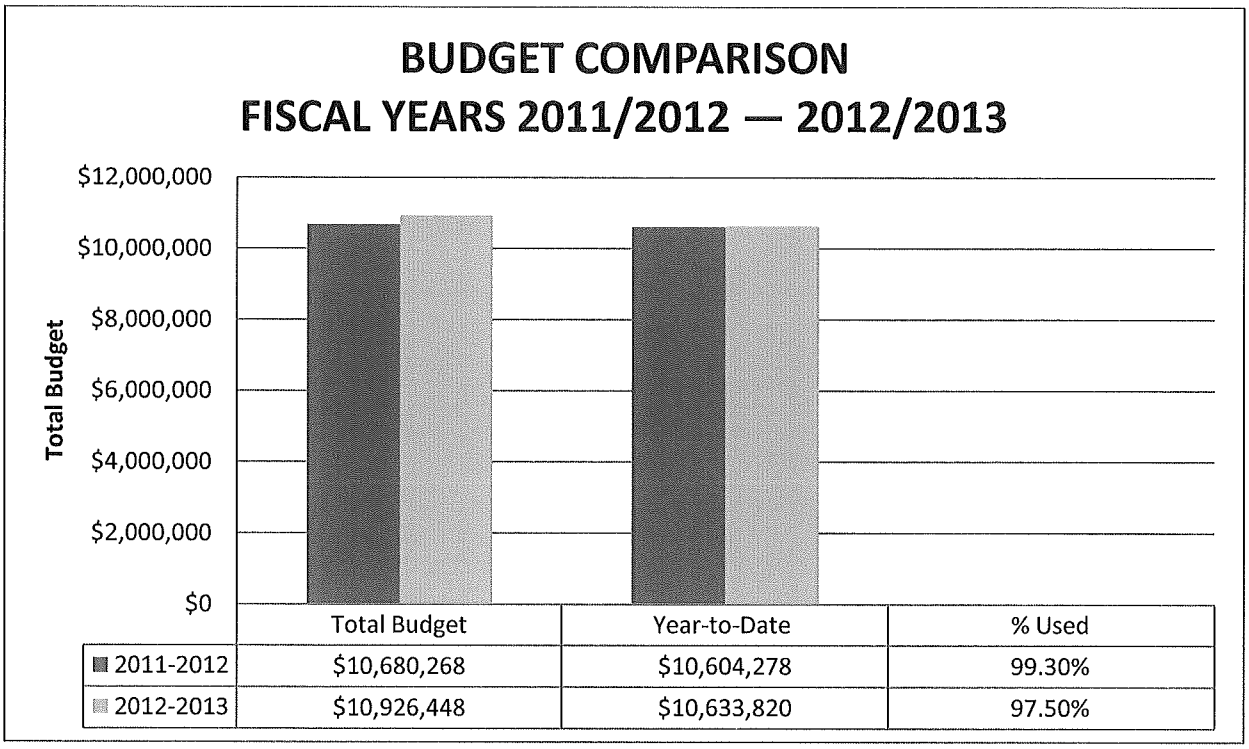
The Compton Housing Voucher Program is a federal government's program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program. The unit selected by the family must meet an acceptable level of health and safety before the Housing Authority can approve the unit.

STAFF

POSITION	TOTAL
Housing Director	1
Family Self-Sufficiency Coordinator	1
Accounting Technician	1
Housing Specialists	3
Housing Inspector	1

BUDGET 2012/2013

	AMOUNT
Total Budget for Fiscal Year 2012/2013	$ 10,926,447.86
Expenditure	$ 10,633,820.05
Percentage-of-Usage	97.48%



	Total Budget	Year-to-Date	% Used
2011-2012	$10,680,268	$10,604,278	99.30%
2012-2013	$10,926,448	$10,633,820	97.50%

Funding paid out for units leased and portability units leased. Fraud Payments is amount received from tenants who did not report accurate income received.

	NUMBER	AMOUNT
Rent Increase Processed	0	
Housing Assistance Fraud Payments		$ 697
Housing Assistance Payments (In-house Units leased)	684	$ 562,963
Housing Assistance Payments (Portability Units leased)	236	$ 243,489
Informal Hearing	4	

INTAKE

The Waiting List was purged April 15, 2013. There are approximately 1,745 applicants. Due the *budget sequestration, the Housing Authority is unable to pull applicants from the Wait List into further notice from the Housing and Urban Development (HUD).

*budget sequestration – refers to automatic spending cuts in particular categories of federal outlays.

#3.

FAMILY SELF-SUFFICIENCY / HOMEOWNERSHIP PROGRAMS

Family self-sufficiency (FSS) is a HUD program that encourages communities to develop local strategies to help voucher families obtain employment that will lead to economic independence and self-sufficiency. Public housing agencies (PHAs) work with welfare agencies, schools, businesses, and other local partners to develop a comprehensive program that gives participating FSS family members the skills and experience to enable them to obtain employment that pays a living wage. A separate program, the public housing FSS program, is available for public housing residents.

	NUMBER
Family Self-Sufficiency Participants	20
Family Self-Sufficiency Participants – Escrow Accounts Forfeiture	0
Family Self-Sufficiency Participants with Escrow Account	11

OCCUPANCY UNIT

There were 10 families terminated from the Program due to violations of family obligations, which means they lost their voucher and cannot reapply to any subsidized housing program. Four families (4) were reissued a voucher to move. In this situation either the tenant or owner terminated the contract and as long as the tenant is in good standing with the Housing Authority they are eligible to receive a HCV to move.

	NUMBER
Annual Reexaminations	64
Annual Reexaminations (Pending)	0
Interim Reexaminations	31
Move-Outs	5
Vouchers Issued	4
Contract Terminations	10
End Participations	2
Office Conference	13
Home Visits	3

INSPECTION UNIT

The Housing Authority is responsible for inspecting all property that is due for an annual inspection. During the month of May, 71 properties were inspected. Out of 87 only 6 were abated, which is .07%. This equates that the landlords are adhering to the housing quality standards.

	NUMBER
Annual Inspections	87
Complaint Inspections	5
Special Inspections	0
Initial Inspections	15
Re-Inspections	16
Pre-Abatements	6
Quality Control	15

HOMELESS REFERRAL

The Local Housing Authority is working with Los Angeles Homeless Services Authority (LAHSA) to provide services to the City's homeless population. During the month of May, there were six service calls made to the Outreach Team at LAHSA. LASHA sent outreach specialist on all calls, however; individuals denied services. The City has a good response time with LASHA. In May the first Homeless Taskforce meeting was held to identify solutions to the concerns of the citizens and council regarding the homeless population. The main focus of the meeting was to strategize how the City could assist the homeless. Offices in attendance: Los Angeles Sheriff Department – Compton Station, Volunteers of America, Municipal Law, Parks & Recreation, Housing Authority and Pathways.

	NUMBER
Number referred to LAHSA	6

PORTABILITY PROGRAM

	AMOUNT
Annual Reexaminations	20
Annual Reexaminations (Pending)	0
Interim Reexaminations	0
Move-Outs	2
Move-Ins	1
Vouchers Issued	16
Contract Terminations	0
End Participations	0
Office Conference	0

SUMMARY

The Compton Housing Authority was first established in 1979. Since that time the department has serviced over 30,000 individuals with the basic need of housing. The current staff is a small group of hard working individuals who are truly dedicated to the field. The Housing Authority prides itself on providing excellent service due to the limitation of staff and funding.

#3.

MUNICIPAL LAW ENFORCEMENT SERVICES

INTRADEPARTMENTAL CORRESPONDENCE

JUNE 06, 2013

TO: CHIEF JON THOMPSON, INTERIM DIRECTOR
MUNICIPAL LAW ENFORCEMENT SERVICES DEPARTMENT

FROM: SUPERVISORY PERSONNEL
MUNICIPAL LAW ENFORCEMENT SERVICES DEPARTMENT

SUBJECT: MONTHLY REPORT FOR MAY 2013
MUNICIPAL LAW ENFORCEMENT SERVICES

SUMMARY

The Municipal Law Enforcement Services Department hereby submits the May 2013 monthly report regarding general information, revenue, activities and services provided during this period.

The Municipal Law Enforcement Services Department is comprised of the Parking Enforcement Division, Security Services Division, Business License Division, Code Enforcement Division, and Administrative Services Division.

The **Administration Division** is responsible for the departments planning, organization and the implementation of policies and projects. To ensure that professional services are provided to the Compton community through creative community-oriented projects and effective enforcement techniques and to achieve the goals and objectives established by the Mayor and City Council, and the City Manager.

The **Administrative Division** maintains effective clerical support, enhancing and improving customer services, while maintaining a functional financial system, records and centralized computer applications that assist with the departments overall effectiveness.

The **Parking Enforcement Division** is responsible for the enforcement of city, county and state parking regulations, including but not limited to street sweeping, permit parking, commercial truck parking, and handicap violations.

The **Security Services Division** is the first line security for city employees, visitors and patrons of all city facilities including the public parks. They also assist with the safety of patrons of the local shopping centers.

The **Business License Division** is responsible for ensuring compliance with the business license regulations for all new businesses, existing and renewing businesses, the permit parking application process and with property rental license.

#3.

The **Code Enforcement Division** investigates violations of the Compton Municipal Code and causes the corrections through education, behavioral modification and fines, while assisting the community with the elimination of slum and blighted conditions.

PERSONNEL SUMMARY

Positions	Total Staffed	Total Authorized	Total Vacant
Director	01	01	0
Supervisor	04	04	0
Parking Enforcement	05	05	0
Security Officer	08	08	0
Code Enforcement	08	08	0
Administrative Personnel	03	05	2
TOTAL	**29**	**31**	**2**

One (01) Parking Enforcement on Light Duty, current office assignment
One (01) Administrative Personnel re-assigned to CFD
One (01) Administrative Personnel on medical leave
One (01) Security Officer on medical leave

PERSONNEL MANAGEMENT

Overtime Budgeted	Overtime Expended YTD	Percentage Remaining
$60,000.00	$16,360.41	73%

For this reporting period, a total of four thousand three hundred and seventy-six (4376) total regular man hours were available to work. Total regular man hours worked was three thousand four hundred and ninety-six and one half (3496.5).

	Vacation	Sick	CTO	B/D	F/H	Furlough	Bereavement	Personal Leave	Military Leave	Jury Duty
Reporting Period	248	351	10	0	77	226	21	10	0	10
Year To Date	982	1148	84	54	260	1488	48	26	40	10

MUNICIPAL LAW ENFORCEMENT SERVICES
MONTHLY REPORT MAY 2013
JUNE 06, 2013
PAGE THREE

DEPARTMENT ACTIVITY

Calls for Services

This Reporting Period	Monthly Average	% Change	Year To Date
62	**89**	**-07%**	**446**

Open Cases

30 days	60 Days	90+ Days
124	**60**	**45**

Parking Citations Issued

This Reporting Period	Monthly Average	% Change	Year To Date
1742	**1602**	**09%**	**8010**
Monthly Revenue	YTD		
$128,997.00	**$518,384.00**		

Business License Activities

License Inspections

This Reporting Period	Monthly Average	% Change	Year To Date
58	**105**	**-45%**	**527**

License Issued

This Reporting Period	Monthly Average	% Change	Year To Date
211	**228**	**08%**	**1144**
Monthly Revenue	Year To Date		
$202,088.45	**$712,438.11**		

MUNICIPAL LAW ENFORCEMENT SERVICES
MONTHLY REPORT MAY 2013
JUNE 06, 2013
PAGE FOUR

Property Rental

This Reporting Period	Monthly Average	% Change	Year To Date
82	**79**	**04%**	**397**
Monthly Revenue	Year To Date		
$8,719.80	**$37,529.80**		

Tobacco Permits

This Reporting Period	Monthly Average	% Change	Year To Date
05	**08**	**-09%**	**41**
Monthly Revenue	Year To Date		
$2,500.00	**$20,500.00**		

Code Enforcement Activities

Inspections

This Reporting Period	Monthly Average	% Change	Year To Date
636	**654**	**-03%**	**3271**

Vendor Abatement

This Reporting Period	Monthly Average	% Change	Year To Date
101	**92**	**09%**	**462**

REPORT BACK LOG

- **Richland Farms Parking** – Report back on the proposed ordinance change to the preferred parking ordinance in the Richland Farms Area. -- *A meeting was convened with the Council Person, the City Attorney, the City Manager, the Assistant City Manager, Municipal Law Enforcement Services and several residences. City Attorney is reviewing proposed changes. Continued enforcement of Preferred Parking Regulations, 67 citations has been issued this reporting period. Additionally, MLES partnered with LA County Animal Control and the LASPCA, to conduct detailed door-to-door inspections. This reporting period, 07 properties have been inspected. 55 total. 42 total citations have been issued. This reporting period, 582 animals (fighting roosters) have been abated. 2291 total.*

- **Donation Collection Boxes** – Report back on code violations and permitting process for collection boxes being set up in the City. – *ARB approval is required for donation collection boxes. Sixty-three (63) boxes was identified, within the City, without permits. Four (04) companies were contacted, advised and informed of the City's ordinance. Two (02) companies's removed boxes. Eighteen (18) boxes remain. Two (02) companies initiated the City's permit process. One (01) company has been granted approval. One (01) company's approval is pending.*

FISCAL IMPACT

There was no negative impact to the General Fund.

RECOMMENDATIONS

Receive and file the May 2013 monthly report regarding the activities, revenues, and other general information from the Municipal Law Enforcement Services Department.

SUPERVISORY PERSONNEL
MUNICIPAL LAW ENFORCEMENT SERVICES

#3.

PARKS AND RECREATION

To: **Mayor and Council Members**
G. Harold Duffey, City Manager

From: **Marvin C. Hunt Jr., Interim Director Parks & Recreation**

Subject: **Monthly Report, May 2013**

Date: **July 17, 2013**

Summary
The Council will receive a report detailing the programs, activities and projects for the Parks & Recreation Department.

The Department of Parks & Recreation is responsible for the following core services:

- Parks & facility landscape maintenance
- Street Medians
- Facilities
- Youth Recreational Services
- Adult & Senior Leisure Recreational Programs

Parks

Goal: To provide weekly landscape maintenance to all City parks.

Performance Measure:

Monthly Goal	Completed	Goal %
298.24 acres	246.79	83

Staffing Level			Hours			
Position	Budgeted	Staffed	Available	Worked	% Worked	OT
MW III	1	1	1440	1198	83	
MW II	4	4				
MW I	4	4				

Performance Measure

Service Request	Received	Fulfilled	% Complete
Irrigation	14	12	86
Graffiti Removal	32	32	100
Tree Trimming	6	1	17
Total	**52**	**45**	**86**

Task Schedule
Please see attached Parks Maintenance Schedule

#3.

Street Medians

Goal: To provide bi-weekly landscape maintenance to all City medians.

Performance Measure:

Monthly Goal	Completed	Goal %
152.4 miles	134.7 miles	88

Staffing Level			Hours			
Position	**Budgeted**	**Staffed**	**Available**	**Worked**	**% Worked**	**OT**
MW III	1	1	800	532	67	50
MW II	1	1				
MW I	3	2				

Service Request	Requested	Fulfilled	% Complete
Irrigation	11	8	73
Trash/Debris Removal	16	16	100
Weed Abatement	3	3	
Mowing/Edging			
Total			

Task Schedule
Please see attached street median schedule for June 2013

Facilities

Goal: To provide weekly landscape maintenance to all City facilities.

Performance Measure:

Monthly Goal	Completed	Goal %
107.2	91.4	85

Staffing Level

			Hours			
Position	**Budgeted**	**Staffed**	**Available**	**Worked**	**% Worked**	**OT**
MW II	1	1	480	400	83	
MW I	2	2				

Service Request	Requested	Fulfilled	% Complete
Irrigation	3	3	100

Trash/Debris Removal	2	2	100
Weed Abatement	3	3	100
Mowing/Edging			
Total	8	8	100

Task Schedule
Please see attached facilities crew weekly schedule

Recreation Division

Goal: To provide leisure time recreational programs and activities for youth, teens, adults and seniors.

Staffing Levels

				Hours		
Position	**Budgeted**	**Staffed**	**Available**	**Worked**	**% Worked**	**OT**
Center Director	5	3	800	696	87	
Recreation Leader	2	2				

Programs and Activities

Program Description	Programs/Month	Participants/Month
Senior Classes	36	1584
Senior Special Events	1	225
Senior Excursions	5	189
Youth Baseball	1	345
Youth Summer Camps	3	600
Compton Youth Football Camp	2	145
Operation Stitches	1	135
Summer Break Camping Trip	1	15
Adult Sports	1	672
Adult Health & Wellness	0	0
Total	**51**	**3,910**

Aquatics

Position	Budgeted	Staffed	Hours			
			Available	Worked	% Worked	OT
Pool Manager	2	1	15	15	100	
Asst. Pool Manager	1	1	15	15	100	
Life Guard	15	7	105	105	100	
Cashier	3	2	30	30	100	
Locker Room Attendant	10	5	75	75	100	

Lueders Park Pool opened on June 29, 2013. The pool operational hours are Sunday 12 p.m. – 5 p.m. and Monday – Saturday from 9:30 a.m. – 6:00 p.m. The pool will offer a variety of activities including: swim lessons, aqua aerobics, recreation swim, adult and senior swim, junior life guard program and a Compton swim team.

Senior Transportation

Staffing Levels

Position	Budgeted	Staffed	Hours			
			Available	Worked	% Worked	OT
Para Transit Drivers	3	3	480	336	70	

Task	Monthly Passenger Trips
Inner City One Way Trips	1367
Outside City One Way Trips	114
Senior Excursions	5
Monthly Total	**1486 Trips**

Special Projects

- Tucker Park Playground – The Parks Division coordinated the project to repair 128 square feet of rubberized playground surface and repair the damaged playground equipment. The project also included removing the playground sand and installing ADA certified playground bark.
- Playground rubberized surface repair – The Parks Division coordinated the project to repair over 250 square feet of rubberized surface at Wilson, Gonzales, Burrell Mac Donald, Tucker and Tragniew Parks.

PLANNING

#3.

DATE: May 29, 2013

TO: G. Harold Duffey, City Manager

FROM: Robert Delgadillo, Interim Director of Planning and Economic Development

SUBJECT: Monthly Report for May 2013

Planning and Economic Development Department Core Services

- Comply with State planning laws
- Comply with the California Environmental Quality Act. Prepare and analyze environmental documents.
- Comply with the Subdivision Map Act.
- Implement the development review process for Conditional Use Permits, Variances, Zone Changes, Tentative Tract and Parcel Maps, Certificate of Occupancy, Yard Sales, Special events
- Answer questions from the public
- Provide handouts on the Zoning Code and Zones
- Coordinate the Planning Commission Meetings
- Prepare Staff Reports and presentations to the Planning Commission
- Implement the General Plan Goals and Polices and Zoning Ordinance
- Verify projects are constructed according to the approvals granted.
- Provide over the counter approvals of minor projects and requests such as the construction of single family homes, room additions, special event permits and yard sales.

Activity Summary

The following summary is for May 2013.

Planning Counter Requests for Information

Month	Individuals
May	311

Yard Sale Applications Granted

Month	Permits
May	154

Applications for Special Outdoor Sales/Events

Month	Individuals
May	18

Application for Certificates of Occupancy

Month	Submitted	Approved
May	16	4

Applications Submitted for Administrative Review (Residences, Signs, Building Additions)

Month	Received	Approved
May	12	9

Applications submitted for Planning Commission Review

Month	Received	Approved	Denied
May	0	0	1

Current Planning Projects (Active and Approved PC)

Submittal Date	Case No.	Applicant	Location	Description	Status
4/24/13	VAR 2733	David Lopez	211-215 Willow St.	Build Garages/Parking Required/ADA Garage	Active review In Departmental Review Comment Period
4/16/13	CUP 2732	Mohamed Fayad	811 S. Alameda	Enlarge Market Area	Active review
3/27/13	CUP 2731	MV Transportation	14011 Central Ave	Legalize existing Bus transit yard	Active review In Departmental Review Comment Period
3/4/13	CUP 2730	Stephen Rice	803 W. Alondra Blvd.	Alcohol sales for restaurant	Active review Pending Re-submittal
2/26/13	CUP 2729	Mi Lindo Guerrero	1811 N. Long Beach Blvd.	Onsite sales Beer and Wine Restaurant	Active Review
9/20/12	CUP 2726	Republic Services	550 E Artesia Blvd.	Materials Recycling Facility Headquarter facility. Revenue $2 per ton @ 1200	Active review. Tentatively Scheduled for

#3.

				tons	PC in June 2013
9/13/12	CUP 2706 V2727 MND 929	Bruce Iversen	439 E. Carlin St.	Recycling Facility Parking, Fencing and Landscaping	Active Review Tentatively Scheduled for PC in June 2013
6/19/12	CUP 2720 VAR 2723	Majit Singh Bawa	1562 S. Long Beach Blvd.	Alcohol (Type 20) Parking & Landscaping Variance	PC Denied in May 2013/Case has been appealed to CC
9/11/12	CUP 2724	Erik Baratas	413 N Wilmington	Tire Installation Repair and auto wash/detail	Active Review Tentatively Scheduled for PC in June 2013
3/11/13	LLA 13-002	Prism - IQ Partners	Alameda and Auto Plaza Dr.	Lot Line Adjustment Gateway Town Center	Active Review Pending Public Works Comments
3/11/13	LLA 13-001	Prism - IQ Partners	Alameda and Artesia	Lot Line Adjustment Gateway Town Center	Active Review Pending Public Works Comments
3/12/13	ARB 13-023	Miriam Guzman	Rosecrans Avenue	Sign/Illum. Chan. Letters	Active Review
3/04/13	ARB 13-018	Erika Gutierrez	W. Plum Street	Large Family Day Care	Active Review
2/26/13	ARB 13-015	Humberto Ovalle	W. Walnut Avenue	Install Monument Sign	Active Review
2/21/13	ARB 13-014	ROEM Developers	708 W. Corregidor	Park Village Apartments remodel	Active Review Submitted Revisions on 5.1.13
10/4/12	ARB 12-097	Beauchamp Distribution	1911 S Santa Fe	New industrial building improvements	Active Review Pending Outstanding Items Since Dec 2012
10/4/12	ARB 12-098	Beauchamp Distribution	1911 S Santa Fe	Fleet Service Building	Active Review Pending Outstanding Items Since Dec 2012
9/19/11	ARB 11-086 (Revision No. 3)	Prism Realty	Gateway Towne Center	Gateway Towne Center Phase II	Active Review Submitted Revisions on 4.30.13

04/29/2013	ARB 13-052	Pete Alonso	4510 E. Alondra Blvd.	Change ledger to roof	App on 5.13.13
04/24/2013	ARB	Enrique Lucatero	2651	Change Use/New Patio	Active Review

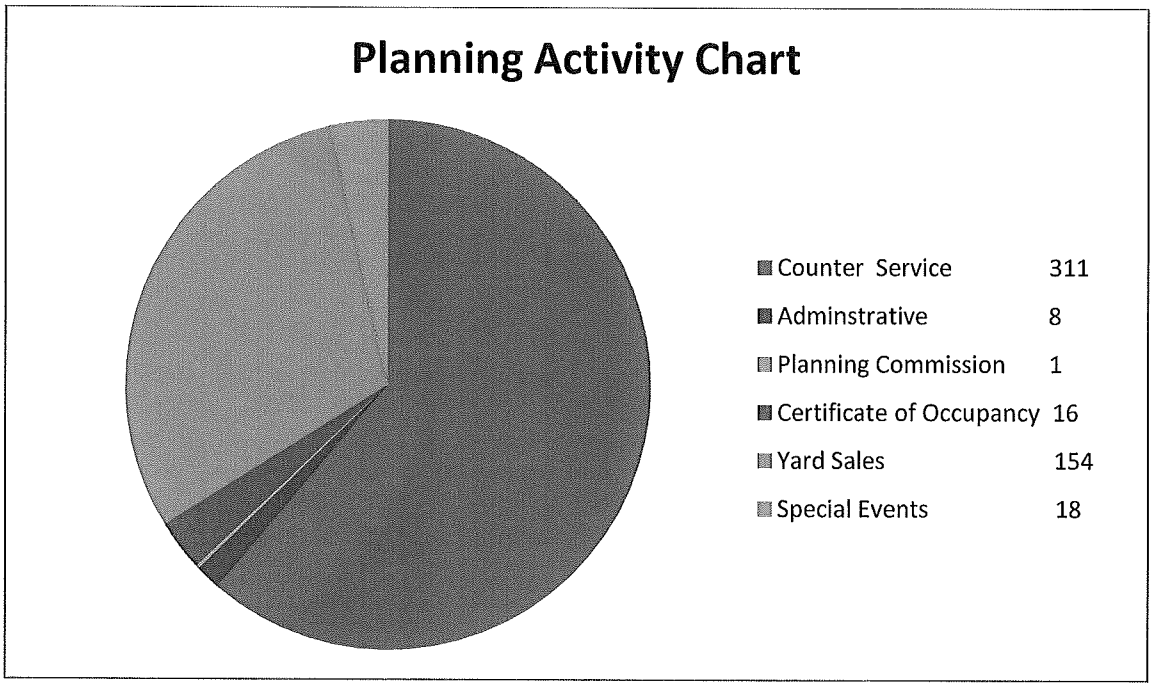
	13-050		E. 124th Street		
04/23/2013	ARB 13-049	Permit Place	510 W. Carob	Exterior Improvements	Active Review
04/17/2013	ARB 13-047	Kent Wang	2019 Acacia Street	Warehouse Tenant Improv	Active Review
04/17/2013	ARB 13-046	Verizon Wireless	608 E. Compton Blvd.	Modify Wireless Facility	Active Review
04/17/2013	ARB 13-045	Steve Therriault	1902 W. Rosecrans Avenue	Reface Pylon Sign	Active Review
04/16/2013	ARB 13-044	Mohamed Fayad	811 S. Alameda Street	Signage	Active Review
04/15/2013	ARB ARB 13-043	Kevin Gaston	107 Carob Street	Parking Lot Lighting	Approved
04/11/2013	ARB 13-038	V. Marvin Van Holland	2301 S. Wilmington Avenue	Door Enlargement	Active Review
04/11/2013	ARB 13-037	Abel Alomar	1208 E. Compton Blvd	Install Sign	Active Review

New Cases in May 2013

Case Type	Case No#	App# Date	Street Number	Street Name	Description	Applicant	Decision
ARB	13-064	05/21/2013	1400	E. Rosecrans Avenue	Legalize enclosure/Install equipment	Chris Blance/Cardno ERL	05.21.2013
ARB	13-063	05/23/2013	439	E. Carlin Avenue	Increase 4G LTE Capacity	Sprint PCS	Active Review
ARB	13-062	05/21/2013	672	W. Artesia Blvd.	Modify Signage	Clear Channel/John Duong	Approve 5.21.2013
ARB	13-061	05/21/2013	232	W. Artesia Blvd.	Modify Signage	Clear Channel/John Duong	Approve 5.21.2013
ARB	13-060	05/21/2013	915	W. Artesia Blvd.	Modify Signage	Clear Channel/Jone Duong	Approve 5.21.2013
ARB	13-059	05/15/2013	14818	S. Butler Avenue	Childcare in the home	Donna Smith	Active Review
ARB	13-058	05/01/2013	1055	W. Victoria Street	Install Sign	Kohei Miki	Active Review
ARB	13-057	05/14/2013	1300	E. Greenleaf Blvd.	Upgrade Telecommunications	AT & T	Active Review

#3.

Case Type	Case No#	App# Date	Street Number	Street Name	Description	Applicant	Decision
ARB	13-056	05/14/2013	1238	W. Wilmington Avenue	Add Propane Tank Gas Station	Kopples Enterprises	Active Review
ARB	13-055	05/02/2013	803	W. Alondra Blvd	Install Sign	Swain Sign	Active Review
ARB	13-054	05/01/2013	1902	W. Rosecrans Avenue	Exterior Paint	Steve Therrault/Signtech	Approve 5.1.13



Planning Commission Action

- Denied CUP Case No. 2720, a request to sell alcoholic beverages (a type 20 alcohol license), an accessory use to an existing convenience store. The applicant has appeal the decision to City Council.

Significant Events

- The planning for the Phase 4 portion of the Compton Creek is progressing on schedule. The Phase 4 RFQ interviews were conducted on May 23rd and the panel consisted of representatives from Heal the Bay, staff and the Coastal Conservancy. After interviewing six firms the panel selected Mia Lehrer and Associates to provide a conceptual design of the soft bottom portion of the creek. This conceptual design will take approximately 18 months to complete. The creation of a preferred design alternative will involve several discussions with City staff, the Compton Creek Task Force and several community meetings. The Coastal Conservancy is funding the study at no cost to the City of Compton. The goal is to prepare a conceptual design of the soft bottom portion of the creek that can be used to prepare construction drawings. The Coastal Conservancy expects to have the firm under contract before the end of June and begin scoping meetings in early July.

- Ecotone Studios presented several Compton Creek Phase III conceptual designs to the Task Force at their May meeting to get their input. The Task Force expressed preferences and provided direction to the consultant and staff on the various design alternatives presented. The Compton Creek Task Force approved conceptual design plan for the Phase III portion of the Compton Creek will be incorporated into an RFP for Phase III. Staff anticipates construction work to begin in late August.

- The Mitigated Negative Declaration for the B&B Recycling facility was released for its required 20 day public review period on May 24, 2013.

- On May 16, 2013 the City of Compton received an award from the Los Angeles Conservancy for the recent installation of more energy efficient windows on the City Hall and Council Chambers buildings. The award was for preserving the original architecture of the building while upgrading to new energy efficient windows. The state Historical Preservation Officer and the L. A. Conservancy consider the architecture of the City Hall building significant and worthy of preservation in its original form. Below is a photograph of the award which hangs in the lobby of the Planning and Economic Development Department.

#3.

LOS ANGELES CONSERVANCY
2013
COMPTON CITY HALL
WINDOW GLAZING REPLACEMENT
For completing a sensitive energy efficiency upgrade that preserves a key design feature of an important municipal building from the recent past, demonstrating strong stewardship of civic architecture.
Owner: City of Compton
Historic Preservation Consultant: Chattel, Inc. | Historic Preservation Consultants
Glass Manufacturer: Pilkington North America
Glass Fabricator: GlasPro
LOS ANGELES CONSERVANCY

PUBLIC WORKS AND MUNICPAL UTILITIES

#3.

City of Compton
Public Works/Municipal Utilities
205 South Willowbrook Avenue
Compton, CA 90220

Office: (310) 605-5505
Fax: (310) 605-6326

To: Mayor and Council Members
G. Harold Duffey, City Manager

From: Glen W. C. Kau, P.E.
Director of Public Works/Municipal Utilities

Re: Public Works Department – Monthly Report for period of May through June 2013

Date: July 16, 2013

Summary

This monthly report is submitted to the Mayor, Council Members and the City Manager to provide an update regarding the activity for the Public Works/Municipal Utilities Department during the period of May through June 2013.

Encroachment Permits

During the month of May to June 2013, Public Works issued a total of 54 permits for the following types of work and collected fees totaling $11,279.

- Excavation (51)
- Water main (1)
- Large trash bin placement (6)
- Driveway work (1)
- Lanes/Traffic (15)

Engineering Division

The Engineering Division is responsible for managing the City's Capital Improvement Program (CIP). This includes for the administration, planning, programming, design, construction management, and construction of capital projects throughout the City. Grant funding (when available) are sought after to supplement project funding. The following table summarizes the current projects, its status and associated funding source(s).

Project Name	Costs	Status	Fund Source(s)
Gonzales Park (CIP 07-03)	$ 750,000	100%	Lease Rev Bond, Res Bond Act, RZH Block Grant
Traffic Signal Upgrades (CIP 06-06)	$ 4,900,000	80%	Fed, State, LA County
Oris & Williams Alley Improvements (CIP 09-07 & -09)	$ 600,000	In progress	Prop 1B
Compton & Wilmington Bridges Reconstruction (CIP 10-11 & 11-12)	$ 11,000,000	In design	STP-L via LA County Public Works
Bridge Repair - 12 Bridges	$ 2,100,000	In progress	STP-L via LA County Public Works
City-wide Sanitary Sewer Upgrades (Phase 1)	$ 12,600,000	Acquire design Svcs	Sewer Bond
City-wide Street Repairs	$ 465,000	In progress	Measure R – Local
Traffic Mgmt Op Center - Phase 2	$ 800,000	Develop agmt	Fed, State, LA County
TOTALS:	**$ 33,215,000**		

Streets Division

City of Compton
Public Works/Municipal Utilities
205 South Willowbrook Avenue
Compton, CA 90220

Office: (310) 605-5505
Fax: (310) 605-6326

The Streets Division responsibility is to maintain public facilities, provide safety for residents, businesses, and the public. The services include: maintain sidewalks, streets, curb/gutter; repair street potholes; respond to service requests generated from the public and City departments. This work includes: signs and marking; street trees; alleys; traffic signals; street lights; sewer collection and storm drain system. Other responsibilities include: emergency response to accidents and incidents within the City's right-of-way, streets; asphalt repair; abate illegally dumped trash; parkway and shoulder repair; street sweeping, graffiti removal; special event support.

Traffic Signal and Street Lights Section is conducting night-time surveys for inoperable street lights. The City has 5,900 street lights of which the City owns 1,200, and SCE owns 4,700. City owned lights will be repaired within 72-hours. SCE owned lights are reported and tracked for when repairs are to be made.

Contracted pothole repair services are being utilized to "slow" deterioration of the pavement. The streets are in desperate need of repair and Public Works Engineering staff will be bringing shortly to Council a recommendation to award a professional services agreement to conduct a City-wide Pavement Management Study to review/collect inventory and condition of the City's pavement. The report generated will summarize the conditions and recommended repair strategy along with identified funding into a proposed plan to effect repairs in a planned and programmed manner. This document will be of great value for the next 10 years for street as well as capital improvement projects.

The Streets Division received and responded to a total of 235 requests for the following types of service during the month of March 2013.

Type	*Received*	*Completed*	*Response (%)*
• Cleanup (illegal dump, alley, bus stops, trash bins)	50	43	86
• Bee removal	4	4	100
• Sweeper complaint/graffiti removal	198	136	69
• Sewer stoppage	21	19	90
• Signage	34	12	35
• Pot hole repair	42	21	50
• Traffic (signal, street light, timing)	56	33	59
• Tree (trim, removal, felled)	180	37	21

Water

The Water Division is dedicated to deliver an ample supply of safe, pure water to your home. The water delivered to your home comes from two sources; about 80% is produced through groundwater pumped and treated locally from deep wells; 20% is purchased from the Metropolitan Water District of Southern California (MWDSC).

For the period of July 2012 to July 2013, the Water Department produced, purchased and delivered the following amounts (acre-feet) of water:

- Well (produced) 6,300 ac-ft
- MWDSC (purchased) 1,600 ac-ft

Total: 7,900 ac-ft

The total billed water usage was 5,568 ac-ft during this period. This represents 1.3% of unaccounted water and is possibly due to meter read errors. It is also probable that meter reading may have occurred too far into the month, accounting for a further reduction in the unaccounted water. System leakage can

City of Compton
Public Works/Municipal Utilities
205 South Willowbrook Avenue
Compton, CA 90220

Office: (310) 605-5505
Fax: (310) 605-6326

also contribute towards this figure. The published range for system leakage/unaccounted water by AWWA standards is between 3% and 6%. The City's 1.3% figure is well below the advertised range.

The Water Division is also responsible for the development and execution of the CIP projects necessary to insure the adequate delivery of quality water to its customer's and that the infrastructure is fully operational and properly maintained. The following table summarizes the current projects, its status and the associated funding source(s).

Project Name	Costs	Status	Fund Source(s)
Water main replacements (W-165)	$ 750,000	100%	Water enterprise fund
Water main replacements (W-140 & 170)	$ 1,470,000	In design	Water Bond
Siebrie Park Reservoir	$ 976,000	98%	Water Bond, EPA Grant
Siebrie Park Groundwater Well	$ 1,800,000	94%	Water Bond, EPA Grant
TOTALS:	**$ 4,996,000**		

Public Works/Municipal Utilities Department Information

With the merge of the Public Works and the Water Departments, the ability to provide for effective coordination of the City's infrastructure has greatly improved. The Public Works/Municipal Utilities Department will be further reviewed to uncover opportunities to enhance customer services, deliver quality capital projects and services in an effective and efficient manner, and to improve the quality of life for the City's residents and visitors through a responsive, efficient, and effective delivery of services to every neighborhood and by reflecting a can-do attitude with our customers and stakeholders.

A Capital Improvement Plan (CIP) is currently being developed for a 3 year cycle beginning FY 2013-14. This document provides a planning mechanism for the proposed projects and the associated resources (funding and staff), along with a proposed schedule. When adopted as part of the budget process, the CIP allows for the tracking and progress of the proposed projects, as well as the funding.

SUCCESSOR AGENCY

#3.

July 2, 2013

TO: **HONORABLE MAYOR AND CITY COUNCILMEMBERS**
G. HAROLD DUFFEY, CITY MANAGER

FROM: **DR. KOFI SEFA-BOAKYE**
DIRECTOR
SUCCESSOR AGENCY

SUBJECT: **MONTHLY REPORT FOR THE PERIOD FROM APRIL 1, 2013 THRU JUNE 30, 2013**

SUMMARY

The purpose of this memorandum is to provide the City council with a monthly report summarizing the programs, projects, and fiscal activities of the Successor Agency.

BACKGROUND

The Successor Agency is a distinct legal entity from the City. Pursuant to City Council Resolution No. 23,464, the City elected to serve as the Successor Agency for the Community Redevelopment Agency effective February 1, 2012. Accordingly, all of the assets of the Community Redevelopment Agency were transferred to the Successor Agency by law effective February 1, 2012.

As a result of the dissolution, the Successor Agency experienced a staff reduction from 15 employees to 6 employees) representing a 60% reduction in staffing. (Current Agency staff positions are as follows: the Director, Deputy Director, Project Manager, Redevelopment Technician II, Account Technician, and Office Assistant III. The Agency staff is responsible for the overall administration and implementation several City programs and numerous Successor Agency Commercial/Retail and Housing programs, projects and activities.

PURPOSE

The Successor Agency (formerly Community Redevelopment Agency) is the Economic Development arm of the City charged with carrying out the City Council policy of creating an affluent, self-reliant, sustainable and safe community by eliminating blight, expansion of the City's tax base, redevelopment of underutilized and vacant properties, facilitate the development of high quality affordable housing and attracting private investment and businesses into the community. The Successor Agency accomplishes this objective by utilizing and leveraging various forms of financial resources including Tax Allocation Bond proceeds, property tax revenue, Federal and State grant funds and leveraging Agency-owned real estate assets.

The Agency utilizes the above reference fiscal resources to assemble land for development of job-producing and revenue-generating retail, commercial, and industrial developments, while fostering homeownership opportunities for residents and promoting suitable living environment through housing rehabilitation programs. The Successor Agency staff, projects and activities are funded by California Department of Finance (DOF) and the U.S. Department of Housing and Urban Development (HUD).

Core Services of the Successor Agency

The Core Services:

1.) *Manage the completion of Public Facility and Infrastructure Improvement projects: the MLK Transit Center, Senior Activity Center and Multi-Level Parking Structure*
2.) *Manage the sale and disposition of over 50 properties*
3.) *Supervise the property maintenance and landscaping services for agency owned properties*
4.) *Oversee the expenditure accounts of Tax Allocation Bonds, Tax Increment Revenue and preparation of Agency Budgets*
5.) *Market the City of Compton to local, regional and international private investment retail industry*
6.) *Administration and implementation of the City's various Low and Moderate Income Housing programs that are Federally and State Funded*
7.) *Prepare all mandatory reporting to the federal government and California State Department of Finance*
8.) *Serve as staff to the Compton Oversight Board and prepare all reporting requirements to the Oversight board*
9.) *Administration of a First Time Homebuyer Assistance Program that provides financial assistance for homeownership opportunities and for the Single Family Residential Rehabilitation Program*
10.) *Administer and Implement the Neighborhood Stabilization Program (NSP) to improve City property values*

Activities and Accomplishments of the Core Services

1.) *Manage the completion of Public Facility and Infrastructure Improvement projects: the MLK Transit Center, Senior Activity Center and Multi-Level Parking Structure in the North Downtown Area. A key component of this Core Service is to transform the North Downtown Center into a key destination point for Compton residents by creating a vibrant, attractive, pedestrian friendly multi-modal center that unifies areas' complementary assets - civic center while taking advantage of the center's "Main to Main assets. Additionally, the Agency is coordination activities with the DOF to effect a timely disposition of Agency-owned properties in the area in accordance with the provisions of the Dissolution Act. During this reporting period the following activities were undertaken in th*e downtown during the period

- Senior Activity Center – Over 45% of construction project is completed. Project will be completed in Spring 2014
- Parking Structure – Changed parking structure to 3-level structure. Reviewed revised plans with Planning Department and issued the Pre-qualification package for the Parking Structure
- Processed monthly payment applications for construction related activities for the Senior Center
- Processed retention payment for the MLK Transit Center project
- Coordinate with METRO for project close-out of the MLK Transit Center project
- Coordinate with DOF on the approval of Phase II of Gateway Town Center project

2.) *Manage the Sale and Disposition of over 50 properties*

- Staff held 45 meetings with various developers regarding negotiations and proposals for the Sale and Disposition of various Agency-owned properties
- Removed graffiti, fence/sign repair and debris removal at Agency-owned property
- Held meeting with Parks and Recreation department to coordinate pocket park maintenance
- The list below represents projects that are under negotiation for Sale and Disposition to a private developer. These projects will require approval from DOF as part of the Agency's Long Range Property Management Plan:

Westland	North East Corner of Compton Blvd. and Long Beach Blvd.	95,000 Square Foot Retail Shopping Center. Tenants include: Grocery Store,	Approved Development proposal. Staff negotiating terms and conditions of the

#3.

		Bank, Pharmacy and Restaurant	Sale & Disposition as part of the Agency's Long Range Property Management Plan
Various Developers	500-45,601,607,625 East Compton Blvd. (2 blocks going west Compton Blvd from Santa Fe Ave)	50,000 square feet Commercial Retail Center – restaurant, shops, office and pharmacy	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long Range Property Management Plan
Various Developers	413-415 West Compton Blvd.	30,000 Square Feet of Commercial, Retail, coffee shop, drug store, quick serve, soft goods stores	Agency negotiating with various developers for a retail concept for the site
Trademark	1400-1436 West Compton Blvd.	18 to 24 Townhomes: 3 to 4 bedroom units	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long Range Property Management Plan
Various Developers	2000-2024 West Compton Blvd.	30,000 Square Feet Retail Development	Agency negotiating with various developers for a retail concept for the site.
Various Developers	305-315 N. Long Beach Blvd.	45,000 square feet Retail Development	Agency negotiating with various developers for a retail concept for the site
Meta Housing	Tamarind and Palmer Ave.	75 Units of Affordable Senior Housing	Pre-existing project approved by the Oversight Board and pending DOF approval
Osborne Development	16208 S. Atlantic Ave	13-18 Townhomes	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long Range Property Management Plan
Maxi Foods/Various Developers	1051 W. Rosecrans Ave	30,000 square foot Grocery or retail space	Agency has $1 million dollars deposited in escrow for the property. Staff is negotiating with developer for future retail use at the site
Gateway Towne Center – Phase II	Artesia 91 Freeway and Alameda St.	Phase II – 10 acres of new retail space	Pre-existing project approved by the Oversight Board and pending DOF approval.
Meta Housing - Phase 2	409-415 N. Alameda St.	50 Units of Affordable Senior Housing	Agency negotiating with developer for future affordable housing units at the site.
Stratus Development	950 W. Alondra Blvd.	28 Townhomes	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long Range Property Management Plan
Steward Development	1117 S. Long Beach Blvd.	80 units of Senior Housing and 7,000 sq. ft. of retail space	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long Range Property Management Plan
City Ventures	1950 N. Central Avenue	Up to 24 Detached Single Family Homes	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long

			Range Property Management Plan
Hopkins Group	2901 W. Alondra Blvd.	18-acre Regional Park	Agency negotiating with developer for construction of a regional park concept at the site.
City Ventures	930 W. Compton Blvd.	Up to 20 Detached Townhomes: 3 to 4 bedroom units	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long Range Property Management Plan
Various Developers	250 N. Central Ave	Retail Development	Agency negotiating with various developer
Prism-IQ Partners	1420 N. McKinley Ave.	100,000 sq. ft. Industrial facility	Approved Development proposal. Staff negotiating terms and conditions of the Sale & Disposition as part of the Agency's Long Range Property Management Plan
Various Developers	1716 E. Rosecrans Ave.	Mixed-Use Development	Agency negotiating with various developer
City Public Works Yard	458 S. Alameda St.	Corporate Public Works	City Facility as part of the Long Range Property Management Plan

3.) Supervises property maintenance and landscaping services for agency owned properties

- Due to the limited amount of funds approved by the DOF for the maintenance of agency-owned property, staff has developed and implemented the following methodology as our property maintenance schedule:
  - Staff performs weekly visual site inspections for each lot
  - Landscape performs 1x month maintenance on all landscape properties
  - Landscape company performs trash & debris removal as necessary
  - Staff has been coordinating with the City's Public Works and Parks and Recreation Department to assist with landscaping and property maintenance activities on Agency-owned properties.

4.) Oversees the expenditure accounts of Tax Allocation Bonds, Tax Increment Revenue and preparation of Agency Budgets

- Prepared Mid-year budget FY 12-13 (January – June 2013)
- Prepared Mid Year Budget FY 13-14 (July – December 2013)
- Reviewed and processed a combination of (69) accounts payable transactions
- fifteen (15) Demand for Payments for various First Time Homebuyer and Residential Rehabilitation program participants
- Processed Bond certification forms for Lease Revenue Bonds and Tax Allocation Bonds
- Managed three (3) lease agreements for Agency owned properties: 408 W. Alondra Blvd., 409 N. Alameda St. and 413 N. Alameda St.
- Staff processed fourteen (14) monthly of Loan repayments/receivables from Burlington Coat Factory, Optimal Academy (parking lot), Mr. Benito Auto Repair, Cliff's Texas Style Burritos and Prism-IQ Partners.
- Prepared a monthly reconciliation of all department expenditures by fund according to the Agency's approved operating budget and reconciliation of ROPS 1 – 3
- Processed program income for NSP and HOME program in the amount of $293,000 dollars

- Processed four (4) reimbursement checks to various City departments for services performed on behalf of the Successor Agency
- Processed four (4) vendors ID forms
- Prepare encumbrance reports for Agency accounts
- Processed payment for CUSD settlement agreement
- The Agency has spent the following amount of funds during this period (estimates):
    i. Tax Increment Fund = $9,279,244.54
    ii. Tax Allocation Bonds =$7,970,793.26
    iii. NSP 1 Funds = $811,005.75
    iv. NSP 3 Funds = $532,937.08

5.) *Market the City of Compton to local, regional and international private investment retail industry*

- Staff attended the International Conference of Shopping Centers conference from May 19-21, 2013. As part of the activities during the conference, staff held twelve meetings (12) with prospective developers, tenants and private investors that maybe interested in locating or redeveloping property within the City.
    - Staff provided brochure and retail trade data information on various Successor Agency owned properties
    - Staff met with various retailers currently negotiating acquisition or lease of commercial properties within the City
    - Staff distributed marketing materials for Western Real Estate Magazine to promote the City of Compton to the Regional and International Developer and Retailer community as a great City for private investment.

- Held seventeen (17) meetings with various developers, investors, retailers and our program manager to discuss, negotiate the Sale and Disposition of various Agency-owned properties and review status of existing projects.

- Updated City's website to include construction photos for rehabilitation work on seven (7) NSP properties

6.) *Administration and implementation of the City's various Low and Moderate Income Housing programs that are Federally and State Funded*

- Responded to 65 inquiries and request for information from the public regarding various housing programs, agency-owned properties and projects implemented by the Agency.

- Performed Forty-seven (47) housing and property related inspections during the reporting period. In addition to the routine maintenance and inspection related activities, staff performed the following activities relative to the various Housing programs and projects.

- Coordinated with Image Management Systems for the imaging of Agency files.

- Staff made revisions to the policies, procedures and guidelines for the Residential Rehabilitation program and Tax Allocation Bond First Time Homebuyer program

- Administered the City's Fair Housing Services contract to provide Fair Housing advocacy and awareness services for the residents of the City of Compton. Services included Tenant workshops (2); Public Information booths (2); Community Presentation (1); Landlord workshop (2); Management Certification program (2); Realtor Trainings (2); and Daily Fair Hosing counseling services.

7.) *Prepares all mandatory reports to the federal government and California State Department of Finance*
- Staff held conference call with DOF regarding the Meet and Confer for ROPS 13-14A.
- Staff continued followed-up with communication with Richard Watson & Gershon (Agency Legal Counsel) in the preparation of response letters to DOF regarding the Agency's two (2) Due Diligence Review reports.
- Coordinate with State Controller's Office for review of former Redevelopment Agency Asset transfers
- Coordinate with Jones Lang La Salle in the development and review of Long Range Property Management Plan.
- Conference Call with DOF regarding Meta Housing project

8.) *Serves as staff to the Compton Oversight Board and prepared all reporting requirements to the Oversight board*
- There were no Oversight Board meetings during this period.

9.) *Administer First Time Homebuyer Assistance Program that provides financial assistance for homeownership opportunities and for the Single Family Residential Rehabilitation Program*
- Preparation of 330 Annual Certifications forms/letter for applicants of the First Time Homebuyer and Residential Rehabilitation programs for FY 2013-2014.
- Perform physical inspections and site visits for each property under the annual compliance guidelines.
    i. Performed over 25 site visits and inspections during the 1st quarter of 2013.

10.) *Administer and Implement the Neighborhood Stabilization Program (NSP) to improve City property value*
- Overseeing the acquisitions of two (2) single family homes
- Managing the rehabilitation and construction of five (5) NSP properties that have a total project value of approximately $1 million dollars.
- Prepare Request for Proposal for the Acquisition, Development and Rental of three (3) Multi-family properties
- Process payments for contractors and developer partners for construction related activities performed at NSP properties
- Finalizing the sale of three (3) NSP homes during the 1st quarter of 2013 to eligible First Time Homebuyers.
    i. The new NSP homebuyers have increased the City's economic wealth by attracting additional median income (over $50k/annual) family households into the City.
- Coordinate with the Los Angeles Neighborhood Housing Services organization for the oversight and completion of the rehabilitation and sale of the City's twenty-two (22) properties that were acquired under the NSP 2 program.
- Coordinate with Building and Safety Department and NSP Developer Partners regarding construction inspections for NSP properties.

Respectfully Submitted,

Dr. Kofi Sefa-Boakye
Director, Successor Agency

DATE: JULY 23, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY TREASURER

SUBJECT: INVESTMENT REPORT

IN ORDER TO COMPLY WITH STATE LAW AND THE CITY'S INVESTMENT POLICY, THE ATTACHED REPORT ACCURATELY REFLECTS ALL POOLED INVESTMENTS HELD ON BEHALF OF THE CITY AND SUCCESSOR AGENCY AS OF JUNE 30, 2013.

DOUGLAS SANDERS
CITY TREASURER

CITY OF COMPTON
Portfolio Management
Portfolio Summary
June 30, 2013

City of Compton
205 S. Willowbrook Ave.
Compton, CA 90220
(310)605-5515

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Passbook/Checking Accounts -2	705,190.43	705,190.43	705,190.43	3.91	1	1	0.140	0.142
Local Agency Investment Funds	16,765,419.23	16,765,419.23	16,765,419.23	93.06	1	1	0.276	0.280
Managed Pool & Money Market Account	544,916.56	544,916.56	544,916.56	3.02	1	1	0.055	0.055
Investments	**18,015,526.22**	**18,015,526.22**	**18,015,526.22**	**100.00%**	**1**	**1**	**0.264**	**0.268**

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	3,966.61	29,636.48	29,636.48
Average Daily Balance	**18,169,942.32**	**10,597,964.70**	
Effective Rate of Return	**0.27%**	**0.28%**	

This report reflects all pooled investments in conformity with the investment policy adopted by the City Council (Gov Code 53646(b) (3)). The monthly investment report must state the ability of the agency to meet its expenditure requirements for the next six months or provide an explanation of why sufficient cash funds may or may not be available. The investment program SHOULD provide sufficient cash to meet six months of estimated expenditures, there should be sufficient cash available. In May the City received approximately $4 million minus the total due for the TRANs payment which is fully funded from the property taxes. Also in April the City received approximately a total of $9.5 million minus $785,000 for the TRANS payment. In December the City received a little over $12 million in property tax revenue and in January the City received over $8 million, within 30 days the City received total of $20 million of property revenue with April and May Property Tax distribution the total $32.8 million this fiscal year. The City TRANs was fully paid by the Trustee in June 2013. As of June 30, 2013 the City had estimate total in the General City Bank account plus LAIF accounts of $11.3 million and approximately $3.5 million in outstanding warrants to be paid to vendors. The next six months will be critical as major expenses will be incurred, such as a bond payment, the City's insurance, L A County Sheriff and other huge expenditures. Our City continues in the right direction in meeting its obligations to the venders on payments.
The pricing of securities is done by Union Bank and Interactive Data Services. Moody Investor Service rates the State Pool Accounts AAA.

Treasury Rates as of 06/28/13
3 month T-Bill @ 0.0300%
6 month T-Bill @ 0.0910%
12 month T-Bll @ 0.1420%

7-17-13

DOUGLAS SANDERS, CITY TREASURER

Reporting period 06/01/2013-06/30/2013

#4.

#4.

CITY OF COMPTON
Portfolio Management
Portfolio Details - Investments
June 30, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Passbook/Checking Accounts -2												
5007	5007	Family Self Sufficiency		11/01/2012	400,514.53	400,514.53	400,514.53	0.090	0.089	0.090	1	
4000	4000	Neighborhood Improvement			304,675.90	304,675.90	304,675.90	0.210	0.207	0.210	1	
		Subtotal and Average	**705,116.83**		**705,190.43**	**705,190.43**	**705,190.43**		**0.140**	**0.142**	**1**	
Local Agency Investment Funds												
6000	6000	General City			6,045,457.81	6,045,457.81	6,045,457.81	0.280	0.276	0.280	1	
6005	6005	SA Surplus Tax			135,471.03	135,471.03	135,471.03	0.280	0.276	0.280	1	
6011	6011	SA Low Cost Housing			176,716.38	176,716.38	176,716.38	0.280	0.276	0.280	1	
6029	6029	Measure R		07/05/2012	2,579,624.19	2,579,624.19	2,579,624.19	0.280	0.276	0.280	1	
6019	6019	EDA Revolving Loan			434,975.02	434,975.02	434,975.02	0.280	0.276	0.280	1	
6002	6002	Prop C			3,771,207.51	3,771,207.51	3,771,207.51	0.280	0.276	0.280	1	
6030	6030	PROP A		10/05/2012	480,551.60	480,551.60	480,551.60	0.280	0.276	0.280	1	
6027	6027	River Mountain Conservancy			11,717.51	11,717.51	11,717.51	0.280	0.276	0.280	1	
6028	6028	HUD Section 108			0.00	0.00	0.00	0.280	0.276	0.280	1	
6004	6004	Local Housing Authority			0.00	0.00	0.00	0.280	0.276	0.280	1	
6007	6007	Successor Agency General			10,938.26	10,938.26	10,938.26	0.280	0.276	0.280	1	
6003	6003	Sewer Bond Proceeds			387,212.48	387,212.48	387,212.48	0.280	0.276	0.280	1	
6009	6009	Public Finance Authority			0.00	0.00	0.00	0.280	0.276	0.280	1	
6022	6022	Regional Park			2,731,547.44	2,731,547.44	2,731,547.44	0.280	0.276	0.280	1	
		Subtotal and Average	**16,765,419.23**		**16,765,419.23**	**16,765,419.23**	**16,765,419.23**		**0.276**	**0.280**	**1**	
Managed Pool & Money Market Account												
5004	5004	Formal Assurance Prg Money Mkt			123,348.74	123,348.74	123,348.74	0.210	0.207	0.210	1	
5001	5001	5116 Highmark Fund			421,035.28	421,035.28	421,035.28	0.010	0.010	0.010	1	
5006	5006	1001 Highmark Fund			0.00	0.00	0.00	0.010	0.010	0.010	1	
5005	5005	Rental Rehab Prg Money Market			202.78	202.78	202.78	0.060	0.059	0.060	1	
5003	5003	Residential Rehab Money Market			329.76	329.76	329.76	0.040	0.039	0.040	1	
		Subtotal and Average	**699,406.26**		**544,916.56**	**544,916.56**	**544,916.56**		**0.055**	**0.055**	**1**	
		Total and Average	**18,169,942.32**		**18,015,526.22**	**18,015,526.22**	**18,015,526.22**		**0.264**	**0.268**	**1**	

CITY OF COMPTON
Portfolio Management
Interest Earnings Summary
June 30, 2013

	June 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	109.55	24,340.06
Plus Accrued Interest at End of Period	-43,805.68	-43,805.68
Less Accrued Interest at Beginning of Period	(-47,662.74)	(-49,102.10)
Interest Earned during Period	3,966.61	29,636.48
Total Interest Earned during Period	**3,966.61**	**29,636.48**
Total Adjustments from Premiums and Discounts	**0.00**	**0.00**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**3,966.61**	**29,636.48**

#4.

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
JUNE 28, 2013

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
101	PAYROLL	WELLS FARGO BANK	1,201,911.26
1001	GENERAL CITY ACCOUNT	BANK OF THE WEST	5,630,775.48
1520	MEASURE R	BANK OF THE WEST	227,353.50
2000	PROP A	BANK OF THE WEST	233,468.81
1200	SA SURPLUS TAX	BANK OF THE WEST	0.00
4000	SA GENERAL	BANK OF THE WEST	10,894,100.54
1203	SA LOW COST HOUSING	BANK OF THE WEST	0.00
9203	PUBLIC FINANCE AUTHORITY	BANK OF THE WEST	179,145.40
1001	COC REGIONAL PARK	BANK OF THE WEST	963.80
2820	COC - FAMILY SELF SUFFICIENCY	BANK OF THE WEST	400,514.53
2754-84-85	JTPA - CAREERLINK	BANK OF THE WEST	235,503.36
2805	HOME LOAN PROGRAM	BANK OF THE WEST	127,786.09
2818	SECTION 108 - HUD FUND	BANK OF THE WEST	2,288,625.14
1022	POLICE DRUG PROPERTY FORFEITURE	BANK OF THE WEST	2,641.93
5116	SEWER BONDS PROCEEDS	BANK OF THE WEST	27,290.00
6400	LIABILITY	BANK OF THE WEST	121,681.17
1001	COC - CHANGE FUND	BANK OF THE WEST	30.00
1900	PROP C	BANK OF THE WEST	310,498.24

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
JUNE 28, 2013

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
6300	WORKERS COMP	BANK OF THE WEST	142,721.81
2820	HOUSING AUTHORITY	BANK OF THE WEST	2,080,859.54
1001	EMERGENCY MEDICAL SERVICES COC	BANK OF THE WEST	891,534.67
1061	COPS GRANT WEED AND SEED	BANK OF THE WEST	288,402.10
1001	COC PARKING VIOLATIONS	BANK OF THE WEST	309,549.17
1001	COC UTILITIES BILLINGS	BANK OF THE WEST	1,498,986.13

July 23, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THOMSON REUTERS COMPANY FOR THE PURCHASE OF LEGAL PUBLICATIONS AND FOR SUBSCRIPTION TO WESTLAW, THOMSON REUTERS' ONLINE LEGAL RESEARCH DATABASE

SUMMARY

This resolution is a request to authorize the City Manger to enter into a 3-year agreement with Thomson Reuters for the purchase of legal publications and updates for the City Attorney's law library and for subscription to Westlaw, Thompson Reuters' online legal research databases.

BACKGROUND

The City Attorney's office's three (3) year agreement with Thomson Reuters has expired and a new agreement is required.

STATEMENT OF THE ISSUE

Staff solicited proposals from the industry's two legal database research companies, Lexis Nexis and Thomson Reuters (Westlaw). Lexis Nexis offered a 3-year agreement for $1,288.00 per month with no more than a 2% increase per year. Thomson Reuters offered a 3-year agreement for $1,378.70 per month with no more than a 3% increase per year.

Staff consistently uses McQuillin publications on municipal corporations and Rutter Group publications on pre-trials, trials, and appeals. These publications are only offered exclusively through Westlaw and staff wishes to continue to use these publications. Westlaw also offers exclusive features and content consistently used by staff such as Case Summaries, KeyCite and West Legal Ed Center.

Based on these exclusive offers and staff's consistent use of Thomson Reuters publications, staff has determined that the proposal received from Thomson Reuters best meets the needs of the City Attorney's Office.

ALTERNATIVE

The alternative to online research is law library publication research. Several updates and additional publications in the City Attorney's Office law library would need updating if the law library is to be the sole source of research information for the office.

FINANCIAL IMPACT

The fiscal impact for this request is $22,654.86, which has been identified in the City Attorney's 2013-2014 Fiscal Year budget, Account No. 1001 420 000 4219.

RECOMMENDATION

Staff recommends that the City Council approve the attached Resolution.

CRAIG J. CORNWELL
CITY ATTORNEY

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THOMSON REUTERS FOR THE PURCHASE OF LEGAL PUBLICATIONS AND FOR SUBSCRIPTION TO WESTLAW, THOMSON REUTERS' ONLINE LEGAL REASEACH DATABASE

WHEREAS, the City Attorney's Office consistently uses its law library to assist with its civil litigation, community prosecution, legal research and legal opinion writing obligations; and

WHEREAS, the City Attorney's office's three year agreement with Thomson Reuters has expired and a new agreement is required; and

WHEREAS, staff solicited proposals from the industry's two legal database research companies, Lexis Nexis and Thomson Reuters (Westlaw); and

WHEREAS, staff consistently uses McQuillin publications on municipal corporations and Rutter Group publications on pre-trial, trial and appeals. These publications are only offered exclusively through Westlaw and staff wishes to continue to use these publications; and

WHEREAS, Westlaw also offers exclusive features and content such as Case Summaries, KeyCite and West Legal Ed Center which is consistently used by staff; and

WHEREAS, based on the exclusive offers and staff's consistent use of Thomson Reuters publications, staff determined that the proposal received from Thomson Reuters best meets the needs of the City Attorney's Office; and

WHEREAS, funds have been identified for the purchase of these legal publications and for subscription to Westlaw, Thomson Reuters' online legal research database in Account No. 1001 420 000 4219 in the 2013-2014 fiscal year.

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 3-year agreement with Thomson Reuters for the purchase of legal publications and subscription to Westlaw, Thomson Reuters online legal research database.

SECTION 2. That funds for this purchase is available in Account Number 1001 420 000 4219 for the Fiscal Year 2013-2014.

SECTION 3. That funds to pay for the remaining years of the agreement will be appropriated in future City budgets.

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

#5.

SECTION 5. 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

THOMSON REUTERS

Research Subscriber Agreement

RESEARCH SUBSCRIBER AGREEMENT entered into between **"Subscriber"** and **WEST PUBLISHING CORPORATION, a Thomson Reuters business ("West")** regarding certain West research services, as follows:

1. License Grant. West grants Subscriber a non-exclusive, non-transferable, worldwide, limited license to access and use the Data (as defined below), features, services, remotely-accessed gateways, and other components of the products named and described in the Agreement (as defined below) (collectively, the "Product") in accordance with the provisions expressly set forth herein.

a. Usage. Subject to the restrictions set forth in paragraph 2 (License Restrictions) below, Subscriber may use the Product(s), including Data (as defined below) in the regular course of Subscriber's business, legal, and other research and related work subject to the limitations contained herein. "Data" means all information and representations of information, including, but not limited to, graphical representations, and other content made available to Subscriber through the Product. Subscriber may: (i) display Data internally; (ii) quote and excerpt from Data (appropriately cited and credited) by electronic cutting and pasting or other means in memoranda, briefs, reports, and similar work product created by Subscriber in the regular course of Subscriber's research and work; and (iii) to the extent not expressly prohibited by the terms of the Agreement, use Data as permitted under the fair use provision of the Copyright Act (17 U.S.C.A. § 107).

b. Storage. Subscriber may store, on a matter-by-matter basis, insubstantial portions of Data in Subscriber's database, maintained in connection with an active matter being handled by Subscriber in its regular course of business ("Project Database"). Such database must consist preponderantly of Subscriber's work product, with access to Data limited to internal users who have a need to know such information. Subscriber may maintain Data in the Project Database until the file or case becomes inactive or until any termination of the Agreement, whichever occurs first. Subscriber may also store insubstantial portions of Data in accordance with Subscriber's records retention policies, provided that such policies are in keeping with prevailing industry standards. For purposes of the Agreement, the term "insubstantial portions" means amounts of Data that (a) have no independent value other than as part of Subscriber's work product; and (b) could not be used in any way in whole or in part as a substitute for any service or product provided by West, any affiliate of West, or any third-party that licenses, contributes, or otherwise provides Data, features, or other materials to West for inclusion in the Product ("Contributor").

c. Print Outs. Provided that all printouts and other reproductions of Data retain, unaltered, all proprietary notices appearing on such reproductions, Subscriber may print, or otherwise reproduce, in hard copy form, insubstantial portions of Data in Subscriber's regular course of business and share such printouts: (i) with Subscriber's clients in relation to specific, ascertainable matters; and (ii) as required or reasonably necessary, to regulatory agencies, court officials, or parties to legal actions in which Subscriber is directly involved.

d. Electronic Distribution. Subscriber may, on an occasional basis and via Product functionality, direct West to transmit individual documents in electronic format to individual internal user(s), and to individual third parties in connection with actual, ascertainable matters being handled by Subscriber. Subscriber may also include downloaded Data in briefs prepared for a specific cause of action for a specific court in an electronic format. Distribution or dissemination of such downloaded Data in connection with, or as part of a brief must be limited to the court before which the cause of action is to be heard, the parties to the cause of action, or their representatives. All other direct transmission of electronic copies by Subscriber is prohibited.

2. License Restrictions.

a. Usage Restrictions. Subscriber may not copy, download, scrape, store, publish, post, transmit, retransmit, transfer, distribute, disseminate, broadcast, circulate, sell, resell, or otherwise use the Data, or any portion of the Data, in any form or by any means except as expressly permitted by paragraph 1 (License Grant) above, or as otherwise expressly permitted in writing by West. Subscriber shall not reverse engineer, decompile, disassemble, or otherwise attempt to discern the source code of the Products, their components, or any avenue by which Products are accessed.

b. Compliance with Applicable Law. Subscriber shall not use any Data and shall not distribute any Data to a third party for use in a manner contrary to or in violation of any applicable federal, state, or local law, rule or regulation.

c. Copyright Notices. Subscriber shall not remove or alter any copyright notices from any saved, downloaded, or otherwise reproduced Data. Subscriber shall indicate that use of, distribution, and dissemination of Data is with the permission of West.

3. Regulated Data. Certain Data available through the Products is subject to heightened regulatory scrutiny under state and federal law ("Regulated Data").

a. Regulated Data Restrictions

i. Subscriber acknowledges that West provides Regulated Data to support Subscriber's own processes and decisions, and Subscriber should not deny any service or access based solely on Regulated Data provided through the Product or results provided by West. Subscriber is responsible for any denial of services or access and Subscriber will not deny such services or access without first conducting its own appropriate internal review in conjunction with its decision-making process.

ii. West is not a consumer reporting agency, and Subscriber certifies that it will not use any Data as a factor in establishing a consumer's eligibility for credit or insurance to be used primarily for personal, family, or household purposes, for employment purposes, or for any other purpose authorized under section 1681b of the Fair Credit Reporting Act (15 U.S.C.A. § 1681b).

iii. Subscriber acknowledges that access to Regulated Data, available through the Product, including but not limited to credit header Data, motor vehicle Data, driver license Data, and voter registration Data is regulated by state or federal laws, such as the Gramm Leach Bliley Act ("GLBA"), the Driver's Privacy Protection Act ("DPPA"), or other state or federal laws and regulations, or is subject to Contributor restrictions.

#5. iv. If Subscriber is permitted to purchase motor vehicle records ("MVR Data") from West, without in any way limiting Subscriber's obligations to comply with all state and federal laws governing use of MVR Data, the following specific restrictions apply and are subject to change:

- Subscriber shall not use any MVR Data provided by West, or portions of information contained therein, to create or update a file to the end that Subscriber develops its own source of driving history information.
- As requested by West, Subscriber shall complete any state forms that West is legally or contractually obligated to obtain from Subscriber before serving Subscriber with state MVR Data.

v. Subscriber agrees not to access Regulated Data for any purpose that is not allowed by the GLBA, by the DPPA, by any other applicable state or federal laws or regulations, or that is contrary to any Additional Terms, as defined in paragraph 5 (Additional Terms) below.

vi. Subscriber represents and warrants that it is the end user of Regulated Data and shall limit use and dissemination of Regulated Data solely to the permissible uses stated by Subscriber in the application and online (Subscriber's "Permissible Use"). Subscriber agrees to keep confidential and shall not disclose any Regulated Data except to Subscriber employees in the United States of America whose duties reasonably require access to such Regulated Data to carry out Subscriber's Permissible Use.

b. Regulated Data Usage Compliance. West retains the right to temporarily or permanently block access to certain Data if West, in its sole discretion, reasonably believes that the Data may be or has been used for an improper purpose or otherwise in violation of the terms of the Agreement, or as otherwise required by a Contributor. By accessing Data, Subscriber acknowledges that from time to time, West and its Contributors and/or various government entities will require Subscriber to identify a permissible use (if applicable) and may inquire as to Subscriber's compliance with applicable laws or the Agreement. Subscriber agrees to reasonably cooperate with any inquiry, subject to any attorney-client confidentiality. Subscriber shall immediately report to West any misuse, abuse, or compromise of Data of which Subscriber becomes aware.

c. Regulated Data Subscriber Credentials. West's provision of access to Regulated Data is contingent on West's verification of Subscriber's credentials in accordance with West's internal credentialing procedures. Subscriber shall notify West immediately of any changes to the information on Subscriber's application for Services and, if at any time Subscriber no longer meets such credentialing requirements, West may terminate Subscriber's access to Regulated Data.

d. Regulated Data Indemnification. Except as otherwise prohibited by law and without waiving any defenses to which it may be entitled, Subscriber hereby agrees to protect, indemnify, defend, and hold harmless West and all its Contributors from and against any and all costs, claims, demands, damages, losses, and liabilities (including actual attorneys' fees) arising from or in any way related to (i) the misuse of Regulated Data by Subscriber (or any other party receiving such Regulated Data from or through Subscriber); and (ii) Subscriber's breach of any representation or warranty relating to its use of or purpose in using Regulated Data.

4. Rights in Data. Except for the license granted in this Subscriber Agreement, all rights, title, and interest in the Product, including Data, in all languages, formats, and media throughout the world, including all copyrights, are and will continue to be the exclusive property of West and its Contributors.

5. Additional Terms. Certain third-party Data and features are governed by terms and conditions which are supplemental to and may be different from those set forth in this Subscriber Agreement ("Additional Terms"). Additional Terms are available for review at the following locations: **http://legalsolutions.com/westlaw-additional-terms**; **http://legalsolutions.com/clear-additional-terms**; and **http://legalsolutions.com/thomson-innovation-additional-terms**. In the event of a conflict between any Additional Terms and terms set forth in the Agreement, the Additional Terms will control.

6. Protection of Personal Information. West and Subscriber acknowledge that both parties may be required to comply with various privacy and security requirements, including but not limited to those set forth in paragraph 3.a. (Regulated Data Restrictions) above, the European Union Directive on Data Protection (95/46), and all other applicable legal directives and applicable industry standards (collectively "Privacy Laws") pursuant to which each party wishes to obtain certain undertakings from the other with regard to the use and protection of the Personal Information of either party. For purposes of this Subscriber Agreement, "Personal Information" shall refer to, without limitation, the following types of information: name, address, e-mail address, age, date of birth, telephone number, fax, social security number or equivalent or similar government identification numbers, credit/debit card information, bank account information, logins, passwords, or medical or health records of an identifiable human being. Each party shall be responsible for any collection, access, use, and disclosure of Personal Information subject to this Subscriber Agreement. Without limiting the foregoing, each party shall employ appropriate administrative, physical, and technical safeguards in order to sufficiently protect the Personal Information and any information assets and resources in question. Each party shall promptly notify the other of any event that may result in the unauthorized collection, access, use, or disclosure of Personal Information subject to this Subscriber Agreement ("Information Protection Incident"). The parties shall make reasonable efforts to assist one another in relation to the investigation and remedy of any such Information Protection Incident claim, allegation, action, suit, proceeding, or litigation with respect to the unauthorized access, use, or disclosure of Personal Information. Furthermore, any access to or use of Personal Information must be in accordance with all applicable law. No individual shall access records that require a permissible purpose unless such a purpose exists for such individual. For purposes of its obligations hereunder, any acts or omissions by the personnel of each party shall also be deemed to be the acts or omissions of that respective party.

7. Charges and Modification of Charges. Charges payable by Subscriber for access to Products ("Service Charges") will commence on the date West processes Subscriber's order. Service Charges will be as stated in an applicable Special Offer Amendment, or Order Form/Order Notification to this Subscriber Agreement, the Schedule A Price Plan, or as otherwise agreed upon in writing by the parties. Schedule A rates may be modified upon at least 30 days prior notice to Subscriber in writing or online or pursuant to the terms stated on an applicable Order Form/Order Notification. Modification of any Service Charges pursuant to this paragraph 7 shall not be considered as an amendment to this Subscriber Agreement that permits termination pursuant to paragraph 13(ii) herein. Service Charges are exclusive of applicable sales, use, value added tax (VAT) or equivalent, ad valorem, personal property and other taxes, which are the responsibility of Subscriber. Subscriber will pay all invoices in full within 30 days from date of invoice. If full payment is not made, Subscriber may be charged interest on any unpaid balance, not to exceed 1% per month.

8. Product Software and Internet Based Services.

a. Product Software. West may make available to Subscriber, on a subscription basis, software for use in connection with the Product. Such software, including new versions and the accompanying user documentation, may be referred to collectively as "Software." All Software will be licensed to Subscriber under a license agreement which will accompany the Software. By using the Software and taking such other action as may be referenced in the license agreement as constituting acceptance, Subscriber agrees to be bound by the terms and conditions of the accompanying license agreement. If Subscriber does not so agree, Subscriber must return any tangible copies of the Software in its possession or control.

b. Internet Based Services. Certain Products may be accessed via the Internet. Subscriber may use Data cached in Subscriber's local disk drive solely in support of its use of the Product via the Internet ("Internet Based Services"). Certain software used by Subscriber may not be capable of supporting Internet Based Services. The performance of Internet Based Services varies with the manufacturers' equipment with which it is used.

9. Disclaimer of Warranties. EXCEPT AS SPECIFICALLY PROVIDED IN THIS SUBSCRIBER AGREEMENT, ANY SCHEDULE, OR LICENSE AGREEMENT, ALL PRODUCTS, DATA, SOFTWARE, AND INTERNET-BASED SERVICES ARE PROVIDED "AS IS," WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, OMISSIONS, COMPLETENESS, CURRENTNESS, AND DELAYS.

10. Limitation of Liability. SUBSCRIBER'S EXCLUSIVE REMEDY AND WEST'S, ITS AFFILIATES, AND/OR CONTRIBUTORS' ENTIRE LIABILITY UNDER THE AGREEMENT, IF ANY, FOR ANY CLAIM(S) FOR DAMAGES RELATING TO PRODUCTS, DATA, SOFTWARE, OR INTERNET BASED SERVICES WHICH ARE MADE AGAINST THEM, INDIVIDUALLY OR JOINTLY, WHETHER BASED IN CONTRACT OR NEGLIGENCE, SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF SERVICE OR SOFTWARE CHARGES PAID BY SUBSCRIBER FOR THE INDIVIDUAL PRODUCT TO WHICH SUCH LIABILITY APPLIES DURING THE 12 MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO SUCH CLAIM. IN NO EVENT SHALL WEST, ITS AFFILIATES, AND/OR CONTRIBUTORS BE LIABLE TO SUBSCRIBER FOR ANY CLAIM(S) RELATING IN ANY WAY TO (i) SUBSCRIBER'S INABILITY TO USE PRODUCTS, DATA, SOFTWARE, OR INTERNET BASED SERVICES, OR ITS INABILITY OR FAILURE TO PERFORM LEGAL OR OTHER RESEARCH OR RELATED WORK OR TO PERFORM SUCH LEGAL OR OTHER RESEARCH OR WORK PROPERLY OR COMPLETELY, EVEN IF ASSISTED BY WEST, ITS AFFILIATES, OR CONTRIBUTORS, OR ANY DECISION MADE OR ACTION TAKEN BY SUBSCRIBER IN RELIANCE UPON DATA; OR (ii) THE PROCURING, COMPILING, INTERPRETING, EDITING, WRITING, REPORTING, OR DELIVERING DATA. IN NO EVENT SHALL WEST, ITS AFFILIATES AND/OR CONTRIBUTORS BE LIABLE TO SUBSCRIBER FOR ANY LOST PROFITS OR OTHER CONSEQUENTIAL, EXEMPLARY, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES RELATING IN WHOLE OR IN PART TO SUBSCRIBER'S RIGHTS UNDER THE AGREEMENT EVEN IF WEST, ITS AFFILIATES AND/OR CONTRIBUTORS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, WEST SHALL HAVE NO LIABILITY WHATSOEVER TO SUBSCRIBER FOR ANY CLAIM(S) RELATING IN ANY WAY TO ANY THIRD PARTY FEATURE. NEITHER WEST NOR CONTRIBUTORS MAKE ANY WARRANTY THAT ACCESS TO PRODUCTS AND DATA WILL BE UNINTERRUPTED, SECURE, COMPLETE, OR ERROR FREE. NOR DOES WEST MAKE ANY WARRANTY AS TO THE LIFE OF ANY URL OR THIRD PARTY WEB SERVICE. SUBSCRIBER ACKNOWLEDGES THAT PROVISION OF PRODUCTS AND DATA ENTAILS THE LIKELIHOOD OF SOME #5. **AND MACHINE ERRORS, DELAYS, INTERRUPTIONS, AND LOSSES, INCLUDING THE INADVERTENT LOSS OF DATA. THE DISCLAIMERS OF WARRANTY AND LIMITATIONS OF LIABILITY SET FORTH IN THIS SUBSCRIBER AGREEMENT WERE MATERIAL FACTORS IN THE DETERMINATION OF SERVICE CHARGES.**

11. Responsibility for Certain Matters. Subscriber shall provide to West the office location and address associated with Subscriber's passwords issued under the Agreement. Subscriber's personnel may also access Products via home computers, laptops, or other wireless devices. Subscriber is responsible for promptly notifying West in writing of persons to whom passwords are to be issued or from whom passwords are to be revoked. Subscriber is solely responsible for maintaining security of passwords. Subscriber is also responsible for all access to and use of all Products, Data, Software, and Internet Based Services through Subscriber's account, login credentials, and/or systems, whether or not Subscriber has knowledge of or authorizes such access and use. Sharing of passwords that have been issued to individual users of Subscriber is strictly prohibited.

12. Limitation of Claims. Except for claims relating to Service Charges or improper use of Products, Data, Software, or Internet Based Services, no claim, regardless of form, which in any way arises out of the Agreement, may be made, nor such claim brought, under the Agreement more than one year after the basis for the claim becomes known to the party desiring to assert it.

13. Term and Termination. This Subscriber Agreement will become effective upon approval and acceptance by West in St. Paul, Minnesota, and will continue in force for the term set forth in an amendment or applicable Order Form/Order Notification to this Subscriber Agreement. Notwithstanding the foregoing, (i) West may terminate this Subscriber Agreement immediately upon giving written notice of termination to Subscriber if West reasonably believes that Subscriber's use of Data violates any applicable law or regulation or this Subscriber Agreement, or may result in a risk to public safety, including but not limited to the safety of private individuals; (ii) Subscriber may terminate the Agreement immediately upon giving written notice of termination to West after receiving notice of an amendment (as permitted under paragraphs 5 (Additional Terms) and 14 (Effect of Agreement)) which contains new terms that materially alter the terms of this Subscriber Agreement and are unacceptable to Subscriber; (iii) either party may terminate the Agreement immediately upon giving written notice of termination to the other party if the other party commits a material breach of this Subscriber Agreement; or (iv) West may terminate the Agreement immediately upon giving written notice of termination to Subscriber if Subscriber commits a material breach of any obligation to West under any other agreement between the parties. Upon any termination of this Subscriber Agreement, the Product Software licenses shall also terminate.

14. Effect of Agreement. This Subscriber Agreement along with all applicable current and future Schedules, Additional Terms, license agreements, Special Offer Amendment to this Subscriber Agreement or applicable Order Form/Order Notification (if any), and the like (collectively, "Agreement") embodies the entire understanding between the parties with respect to the subject matter of the Agreement and supersedes any and all prior understandings and agreements, oral or written, relating to the subject matter. Except as otherwise provided in the Agreement, West may amend the terms and conditions of this Subscriber Agreement by giving Subscriber at least 30 days prior written notice. Within 30 days of the receipt of such amendment, Subscriber may, at its option, request that the parties enter into good faith negotiations regarding the new amended terms and conditions. In the event the parties are not able to reach an agreement resulting in mutually

#5. alternative language for the amended terms and conditions within 30 days after the start of the negotiations, Subscriber may terminate this Subscriber Agreement as set forth in paragraph 13(ii) herein. Except as expressly set forth herein, any other amendment to the Agreement must be in writing and signed by both parties.

15. Force Majeure. Each party's performance under the Agreement is subject to interruption and delay due to causes beyond its reasonable control, such as acts of God, acts of any government, war or other hostility, civil disorder, the elements, fire, explosion, power failure, equipment failure, industrial or labor dispute, inability to obtain necessary supplies, and the like.

16. Notices. Except as otherwise provided herein, all notices must be in writing to West at 610 Opperman Drive, P.O. Box 64833, St. Paul, Minnesota 55164-1803, Attention: Customer Service, and to Subscriber at the address set forth in the applicable Special Offer Amendment or Order Form/Order Notification.

17. General Provisions. The Agreement will be governed by and construed under the law of the state of Minnesota, U.S.A. without regard to conflicts of law provisions. The parties agree that the state and federal courts sitting in Minnesota will have exclusive jurisdiction over any claim arising out of the Agreement and each party consents to the exclusive jurisdiction of such courts. Neither the Agreement nor any part or portion may be assigned, sublicensed, or otherwise transferred by Subscriber without West's prior written consent. Should any provision of the Agreement be held to be void, invalid, unenforceable, or illegal by a court, the validity and enforceability of the other provisions will not be affected thereby. Failure of any party to enforce any provision of the Agreement will not constitute or be construed as a waiver of such provision or of the right to enforce such provision. The headings and captions contained in the Agreement are inserted for convenience only and do not constitute a part of the Agreement. West, as used herein, also applies to West Services Inc.

18. Feedback. Any and all Feedback that Subscriber provides to West shall become the exclusive property of West without any payment, accounting, remuneration, or attribution to Subscriber. **"**Feedback" means information provided, in any manner, by or on behalf of Subscriber with respect to any feature, West product or service, or their enhancement, customization, configuration, installation, or implementation, including but not limited to ideas, concepts, suggestions, materials, functions, methods, processes, and rules.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Attorney**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THOMSON REUTERS COMPANY FOR THE PURCHASE OF LEGAL PUBLICATIONS AND FOR SUBSCRIPTION TO WESTLAW, THOMSON REUTERS' ONLINE LEGAL RESEARCH DATABASE**

Ruth Rugley — **7/18/2013 3:04:13 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/18/2013 5:14:46 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/18/2013 5:08:41 PM**
CITY CONTROLLER — DATE

G. Harold Duffey — **7/18/2013 4:58:47 PM**
CITY MANAGER — DATE

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

July 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **CITY TREASURER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACKNOWLEDGING THE RECEIPT AND FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE FISCAL YEARS OF 2013-2014 AND 2014-2015**

SUMMARY:

The City Treasurer is submitting the annual statement of investment policy to the City Council.

BACKGROUND:

California Government Code Section 53646 (A) provides for the annual review of a local agency's investment policy. The legislation states that the City Treasurer submits an annual statement of investment policy to the legislative body to be considered at a public meeting. The investment policy outlines the policies for maximizing efficiency of the City's cash management system and guidelines for prudent investment of the City's funds.

STATEMENT OF THE ISSUE:

In order to comply with Section 53646 (A), the City Treasurer is providing the City Council with a statement of the City's investment policy.

FISCAL IMPACT

There is no fiscal impact resulting from this resolution.

RECOMMENDATIONS

Staff recommends that the City Council adopt the attached resolution.

DOUGLAS SANDERS
CITY TREASURER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACKNOWLEDGING THE RECEIPT AND FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE FISCAL YEARS OF 2013-2014 AND 2014-2015

WHEREAS, the Governor of the State of California signed such legislation into law effective January 1, 1996 (SB564); and

WHEREAS, the City Treasurer of the City of Compton declares the annual Statement of Investment Policy to be as follows:

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

POLICY

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

Criteria for selecting investments and the order of priority are:

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

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

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

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

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

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

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

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

SCOPE

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

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

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

PRUDENCE

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

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

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

OBJECTIVES

SAFETY OF PRINCIPLE

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

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

Market risk, defined as market value fluctuations due to overall, changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the City's investment portfolio to two years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

LIQUIDITY

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

COLLATERAL REQUIREMENTS

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

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

AUTHORIZED INVESTMENT

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

1. United States Treasury Bills, Notes and Bonds, or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the City's surplus funds which can be invested. The maximum maturity length shall not exceed 5 years.

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

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

4. Commercial paper ranked "P1" by Moody's Investor Services and "A1+" by Standard and Poor's, and issued by a domestic corporation having assets in excess of $500,000,000 and having an "AA" or better rating on its long term debentures as provided by Moody's or Standard and Poor's. Purchase of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation. Purchase of commercial paper may not exceed 15% of the City's surplus funds.

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

6. Repurchase agreements. The City may invest in repurchase agreements with banks and dealers with which the City has entered into a master repurchase contract that specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed 90 days and when the underlying securities are United States Treasurers or Agencies that the market collateral equals 102% of

the repurchase agreement amount including accrued interest, and the maximum maturity length of that collateral does not exceed 5 years. The only securities acceptable as collateral shall be eligible negotiable certificates of deposits, eligible bankers acceptances, or securities that are direct obligation of, or that are fully guaranteed as to principal and interest by, the United States or any agency of the United States.

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

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

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

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

11. Mutual Funds investments held by City must restrict their underlying investments to subsection "A" through "J" of 53601 of the Government Code or subsections "M" or "N" of 53601 of the Government Code. Mutual funds held by the City will have a maximum maturity of five (5) years, will not exceed twenty (20%) percent of the portfolio, and will have a minimum rating of AAA or Aa by either Moody's or S&P. Mutual Fund investments will be made in accordance with section 53601(k) (l) of the Government Code.

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

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

QUALIFIED DEALERS AND INSTITUTION

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

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

COMPETITIVE BIDDING

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

APPROVED LIST

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

SAFEKEEPING OF SECURITIES

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

INVESTMENT REPORTING AND MONTHLY REPORT

The Treasurer shall render a monthly report to the City Council showing the type of investment, institution, date of maturity, par value of investment, cost basis of investment, current market value change of all securities, rate of interest, interest earned, gains and losses and such data as may be required by the City Council. The report shall also detail all repurchase agreements, and shall state its relationship to this Statement of Investment Policy as directed under the Code and will be in compliance with GASB #31.

PERFORMANCE MEASUREMENTS OF PORTFOLIO

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

INVESTMENT CONTROLS

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

ETHICS AND CONFLICT OF INTEREST

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

LEGISLATIVE CHANGES

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

DELEGATION OF AUTHORITY

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

LIMITING MARKET VALUE EROSION

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

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

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

3. All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market

conditions may change, making it in the City's best interest to sell or trade a security prior to maturity.

POLICY REVIEW

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

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

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

Section 1. That an annual statement of investment policy for the City of Compton has been filed by the City Treasurer for the Fiscal Years of 2013-2014 and 2014-2015 in compliance with Section 53646 (A) of the Government Code of the State of California.

Section 2. That a certified copy of this resolution shall be filed in the Offices of the City Manager, City Controller, City Treasureer and the City Clerk.

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

ADOPTED this ____ day of _____, 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, Clerk of the City of Compton, hereby certify that the forgoing Resolution was adopted by the City Council, signed by the Mayor, attested to by the City Clerk at a regular meeting thereof held on the _____ day of _____, 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: **City Treasurer**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACKNOWLEDGING THE RECEIPT AND FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE FISCAL YEARS 2013-2014 AND 2014-2015**

Douglas Sanders — **7/18/2013 12:22:20 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/18/2013 4:04:00 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/18/2013 3:34:36 PM**
CITY CONTROLLER — DATE

Terrance C. Davis — **7/18/2013 2:00:04 PM**
CITY MANAGER — DATE

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

July 23, 2013

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **DELMONSHA GREEN, INTERIM DIRECTOR**
COMPTON LOCAL HOUSING AUTHORITY

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND COMPTON LOCAL HOUSING AUTHORITY**

BACKGROUND

The Local Housing Authority of the City of Compton ("Authority") was established pursuant to the laws of the State of California. The Authority is authorized to transact business and exercise those powers within its area of operation as defined by said laws. The purpose of the Local Housing Authority is to carry out housing and housing related activities in support of low-income families.

STATEMENT OF ISSUE

The United States Department of Housing and Urban Development ("HUD") requires evidence of a lease agreement when utilizing rental space to conduct the Section 8 Housing Choice Voucher Program. Such documentation to support evidence will be provided to the HUD financial analyst during annual audits. The annual rental fees of Thirty Five Thousand Dollars ($35, 000) will be paid for annual rental fee, beginning July 1, 2013 and concluding June 30, 2014. The location of the Section 8 Housing Choice Voucher Program will be at (the Neighborhood Center) located at 600 North Alameda Street, Room numbers 17, 18, 19, 21, 22, 29, 30, 31, 32, and 33, server room (shared space), and supply closet.

FINANCIAL IMPACT

There is no fiscal impact to the General Fund. The total amount will not exceed Thirty Five Thousand Dollars ($35,000). Funds are available in the Authority's 2012/2013 Fiscal Year budget in Account No. 2820-790-000-4286.

#7.

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution authorizing a Lease Agreement by and between the City of Compton and the Local Housing Authority of the City of Compton.

**DELMONSHA GREEN, INTERIM DIRECTOR
COMPTON LOCAL HOUSING AUTHORITY**

APPROVED FOR FORWARDING:

**G. HAROLD DUFFEY
CITY MANAGER**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND COMPTON LOCAL HOUSING AUTHORITY

WHEREAS, the United States Department of Housing and Urban Development ("HUD") has executed a Consolidated Annual Contribution Contract (CACC) Section 8 Housing Choice Voucher Program with the Compton Local Housing Authority ("Authority"); and

WHEREAS, the City Council finds that the housing programs the Authority administers are advantageous and necessary for unemployed and underemployed residents of the City to achieve safe, decent, sanitary, and affordable accommodations; and

WHEREAS, HUD requires evidence of a lease agreement when utilizing rental space to conduct the Section 8 Housing Choice Voucher Program; and

WHEREAS, the City of Compton has space available for lease in property owned by it at 600 North Alameda Street ("the Neighborhood Center") and is willing to lease space therein to the Authority for operation of its programs.

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 twelve (12) month Lease Agreement on behalf of the City of Compton with the Compton Local Housing Authority for use as office space at 600 North Alameda Street, Room Numbers 17, 18, 19, 21, 22, 29, 30, 31, 32, and 33, server room (shared space) and supply closet.

Section 2. That the annual rental fees of Thirty Five Thousand Dollars ($35,000) is agreed upon for the period July 1, 2013 through June 30, 2014.

Section 3. That the funds will be received by the City for lease payments from the Compton Local Housing Authority's FY 2013-2014 budget in Account Number 2820-790-000-4286.

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

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
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the Council, signed by the Mayor, and attested by the 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

LEASE AGREEMENT BETWEEN
CITY OF COMPTON
AND
COMPTON LOCAL HOUSING AUTHORITY

This **LEASE AGREEMENT** is entered into by and between the **CITY OF COMPTON,** a municipal corporation of the State of California (hereinafter referred to as **"OWNER"**) and **COMPTON LOCAL HOUSING AUTHORITY** (hereinafter referred to as **"LESSEE"**).

RECITALS:

WHEREAS, the City of Compton ("Owner"), has under it jurisdiction certain real property located at 600 North Alameda Street, Compton, California 90221, also known as the "Neighborhood Center" (the "Site"); and

WHEREAS, on July __, 2013, the City Council adopted Resolution No. _____, which authorized the City Manager to enter into a lease agreement with the Compton Local Housing Authority ("Lessee") for a period of twelve (12) months, commencing July 1, 2013 through June 30, 2014.

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

WITNESSETH:

Section 1. PREMISES. The Owner, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Lessee and upon the following terms and conditions, hereby leases to the Lessee, and the Lessee hereby hires and takes of and from the Owner, those certain Premises situated in the City of Compton, County of Los Angeles, State of California, more particularly described as:

The City of Compton Neighborhood Center
600 North Alameda Street
Compton, California 90221

[The "Site"]

Lessee shall lease Rooms 17, 18, 19, 21, 22, 29, 39, 31 and 32, a supply closet and shared access to the Server Room within the Site building. Lessee shall also have access to and use of shared public spaces within the Site.

[The "Premises"]

Section 2. TERM. This Lease shall be for a term of twelve (12) months, commencing on July 1, 2013 and shall terminate on June 30, 2014, unless extended or terminated as otherwise provided herein. This Lease shall supersede any previous Leases and/or agreements.

Section 3. RENT. During the Lease term, the Lessee shall pay to Owner as rent for said Premises hereof the sum of **Two Thousand One Hundred Sixteen Dollars and Sixty-Seven Cents ($2,916.67)** per month. Lease payments shall be due in advance on the first day of each and every month of the term hereof. Any lease payment not received by the Owner by the tenth (10^{th}) day of the month will be deemed late and a late fee (penalty) in the amount of **Five Percent (5%)** will be charged.

Payments shall be remitted to:

General Services Department
City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director
Payable to: City of Compton
[Please identify your Lease Site on the payment]

Section 4. USE OF PREMISES. Lessee is entitled to use the Premises during normal building business hours (Mondays through Fridays, 7:00 p.m. to 6:00 p.m.), ***(excepting City holidays)*** for the following purpose(s) only:

ADMINISTRATION OF THE LOCAL HOUSING AUTHORITY

Lessee shall not use the Premises for any other purpose without the prior written consent of the Owner**.** Lessee shall not use the Premises in a manner so as to interfere with Owner's use or equipment at the Site. Lessee shall not use the Premises for the storage of inoperable or unusable equipment or property.

Use of Premises at Shared Site on City Holidays and Non-Business Hours

On those dates designated by the City Council as legal City holidays, the Site **(including the Premises)** shall be closed. If Lessee desires to use the Premises on a City holiday or during non-business building hours, Lessee shall pay the City the costs (e.g. employees' salary) of providing access to the Premises/Site and for provision of City security (if applicable).

Lessee shall provide written notification to the General Services Department a minimum of three (3) business days in advance of its desire to use the Premises on a City holiday or during non-business building hours. Lessee shall include the additional amounts owed in the next lease payment.

Section 5. DELIVERY OF PREMISES. If Owner, for any reason, cannot deliver the Premises described above to Lessee at the commencement of the term hereof, Owner shall not be liable to Lessee for any loss or damage resulting therefrom and Lessee at Lessee's option, may declare this Agreement to be null and void.

Section 6. UTILITIES AND OTHER SERVICES. Owner agrees to furnish the following utilities and services at Owner's expense during normal business hours:

a. Electricity for normal lighting and power for office use. Special or additional electrical requirements over and above the standard for general office uses will be charged directly to Lessee.

DRAFT

b. Heating/Cooling.

c. Hot and cold water.

d. Routine maintenance.

e. General/shared security for the Site.

Any and all other types of utilities (e.g. telephone, cable, etc.) and services shall be at the sole expense and responsibility of the Lessee. Prior written approval shall be required for the installation of any utility and/or service that will involve physical alteration of the Premises and/or Site. Lessee shall reimburse Owner for the cost of repairing any and all damages to the Premises and/or Site caused directly or indirectly by Lessee's utility or service provider or its equipment.

Owner shall in no way be liable or responsible for any loss, damage or expense that Lessee may sustain or incur by reason of any change, failure, interference, disruption or defect in the supply or character of the utilities and services supplied to Premises and/or Site, unless directly caused by the active negligence or willful misconduct of the Owner.

Section 7. ASSIGNMENT AND SUBLETTING. Lessee agrees not to sublet the whole or part of the Premises, assign the Lease nor permit the use of the Premises by anyone other than the Lessee, its employees, business invitees, customers and patrons without in each case first securing the written consent of the Owner. Any attempted assignment or subletting of this Lease without the written consent of the Owner constitutes fraud and this Agreement shall be null and void.

Section 8. ALTERATIONS AND ADDITIONS. Lessee shall not make any alterations or construct any additions or improvements in or on the Site and/or the Premises until the Owner has approved the complete plans and specifications for the project. Once the Owner has been provided with said plans and specifications, Owner shall have a fifteen (15) day minimum review period before granting Lessee approval or disapproval of the project in writing. Lessee shall, at the time of the request, specify if they desire to retain ownership and/or possession of the alteration, addition or improvement subject to plan review by Owner at Lessee's expense. Lessee shall keep the Premises free of liens from such work.

Owner agrees that except for structural alterations, the Lessee may remove, during or at the expiration or other termination of the term of this Lease, or of any extension or holdover period thereof, as the case may be, personal property placed or installed in or upon the Site and/or the Premises by the Lessee or under its authority. Any personal property, improvements or additions not removed by Lessee within thirty (30) days after the end of the term, or any extension or holdover period thereof, shall automatically become the property of Owner.

Lessee shall repair any damage to the Site and/or the Premises caused by Lessee's installation and/or removal of its personal property, alterations, improvements or additions.

DRAFT

Section 9. REPAIRS AND MAINTENANCE. Owner shall not be responsible to make any repairs or alterations to the Premises, excepting due to reasonable normal wear and tear, and Lessee assumes any and all cost and liability for the repair and maintenance of the Premises leased herein, unless such repairs, alterations or maintenance are due to Owner's negligence or willful misconduct. Lessee agrees to repair any damage caused by Lessee, its employees, contractors, agents or invitees, negligently or otherwise, at its own expense, and maintain the Premises leased and to return said Premises to Owner in as good order, repair and condition as the same were in at the commencement of this Lease. Lessee must obtain prior written approval from the Owner prior to commencing any repairs to the leased Premises. Lessee shall keep the Premises free of liens from such work.

Lessee shall continue to maintain said Premises in good repair and tenable condition and in compliance with all health, safety and sanitation laws, ordinances and regulations of the State of California and local authorities throughout the term of the Lease.

Lessee agrees to keep Premises in good order and condition at their sole cost and expense. All work done by Lessee on the Premises shall be done in a lawful manner and in conformity with all applicable laws, ordinances and regulations. The Premises shall be kept free from any and all liens and charges on account of labor or materials used in contribution to any work thereon.

Unless otherwise required by law or expressly provided for within this Lease Agreement, Owner shall have no liability to Lessee for any condition on the Premises leased herein and Lessee agrees that it has inspected the same, knows the condition and takes this Lease with the Premises in its present condition. Lessee agrees to hold the Owner harmless from any and all liability arising out of or in connection with the use of the Premises leased herein by the Lessee, its agents, employees, business invitees, customers and patrons, except to the extent any such liability is attributable to Owner's negligence or willful misconduct.

Section 10. INSURANCE. Lessee shall furnish certificates of insurance, along with endorsements, issued to Owner substantiating the fact that it has taken out the specified insurance for the term covered by this Lease, or any extension or holdover period thereof, with an insurance carrier acceptable to the Owner under forms satisfactory to the Owner. Each certificate shall bear an endorsement precluding cancellation or reduction in coverage of any policy covered by such certificate except upon at least thirty (30) days prior written notice to Owner. It is agreed that Owner shall not be liable for the payment of any premiums or assessments on the insurance required.

Lessee shall present evidence of required insurance and certificate of endorsement to Owner no later than the commencement date of this Lease. The Lessee shall not occupy the Premises until the Owner has received and approved the required certification. ***Failure on the part of the Lessee to procure or maintain insurance shall constitute a material breach upon which the City may immediately terminate this Lease Agreement.***

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

a. General Liability. Lessee shall provide and maintain at its own expense during the term of this Lease Agreement a policy of Commercial General Liability Insurance, inclusive of personal injury liability and broad form property damage coverage, in an amount not less than **One Million Dollars ($1,000,000)** per occurrence. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

b. Workers' Compensation Insurance. Lessee shall provide and maintain at its own expense during the term of this Agreement a program of Workers' Compensation Insurance and Employer's Liability Insurance in an amount and form to meet all applicable requirements of the State Labor Code and which specifically covers all persons providing services by or on behalf of the Lessee and all risks to such persons under the Agreement.

c. Fire and Casualty Insurance. Lessee shall maintain fire insurance on such party's own equipment and property or to adequately self-insure the same. Lessee shall provide, or cause to be provided, and maintained at its sole cost property insurance in the amount of the value of the improvements on the Premises on a replacement cost basis. The property insurance shall insure against the perils of fire (with extended coverage), theft, vandalism, malicious mischief, collapse, flood, earthquake, windstorm and physical loss or damage. Owner will not keep improvements which are constructed or installed and owned by Lessee under the provisions of this Lease insured against fire or casualty, and Lessee will make no claim of any nature against Owner by reason of any damage to the business or property of Lessee in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of the Owner in the course of their employment.

d. Insurance Endorsements. The liability insurance policy(ies) shall be endorsed with the following language:

.1 The City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers are to be named and covered as **"additional insureds"** with respect to liability arising out of the activities of the Lessee.

.2 The insurer waives all rights of subrogation against the City.

.3 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City.

.4 Identify the leased Premises covered by the policy(ies) and the identity of the insured(s).

Insurance coverage specified herein constitutes the minimum requirements and said requirements shall in no way lessen or limit the liability of the Lessee under the terms of the Lease Agreement. Lessee shall procure and maintain, at its own costs and expense, any additional kinds and amounts of insurance that, in its own judgment, may be necessary relating to Lessee's use of the Premises.

Section 11. LOSSES. Owner shall not be responsible for losses or damage to personal property, equipment or materials of Lessee. Owner will not keep improvements

which are constructed or installed and owned by Lessee under the provisions of this Lease insured against fire or casualty, and Lessee will make no claim of any nature against Owner by reason of any damage to the business or property of Lessee in the event of damage or destruction by fire or other cause, arising other than from or out of the gross negligence or willful misconduct of agents or employees of the Owner in the course of their employment.

Section 12. DAMAGE OR DESTRUCTION. Owner agrees that should the Premises be so badly damaged by earthquake or other violent action of the elements as to render them wholly unfit for Lessee's occupancy, than this Lease shall be terminated immediately upon the happening of any such event, whereupon Lessee shall surrender the Premises and shall not be obligated for any further rental payment and Owner shall refund any unearned rent paid in advance by Lessee, calculated at a daily rate based on the regular monthly rental.

In the event of any lesser damage by casualty, then Owner shall commence the repair and restoration of such premises within thirty (30) days of the event which necessitated the repair and restoration, unless it is not reasonably possible to commence repair and restoration within thirty (30) days, in which case it shall be commenced as soon as feasibly possible. If the damage to the Premises is caused by the Lessee or its agents, employees or invitees, then after receiving Owner's approval for the same, Lessee shall promptly repair the damage at Lessee's expense.

Section 13. DEFAULT. Lessee shall pay said rent to the Owner without deduction, default or delay. In the event of the failure of Lessee to do so, or in the event of a breach of any other terms, covenants or conditions herein contained on the part of Lessee to be kept and performed and if such default continues for a period of thirty (30) days after receipt of written notice from Owner to Lessee of such default, this Lease may be terminated. Owner may not terminate the Lease if (a) Lessee cures the default within the thirty (30) day period after notice of default is given, or (b) the default cannot reasonably be cured within thirty (30) days after notice of default is given, but Lessee reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default. In the event of termination of this Lease, it shall be lawful for Owner to reenter into and upon the Premises and every part thereof and to remove and store at Lessee's expense all property therefrom and to repossess and occupy the Premises. In addition thereto, Owner shall have such other rights or remedies as may be provided for by law.

Section 14. HOLDING OVER. In case Lessee holds over beyond the term herein provided with the consent, express or implied, of the Owner, such tenancy shall be from month-to-month only, subject to the same terms and conditions of this Lease, but shall not be a renewal hereof. Such month-to-month tenancy shall be terminable on thirty (30) days written notice by either party to the other party.

Section 15. CANCELLATION PROVISION. Notwithstanding any other provisions contained herein, any willful violation of the terms or conditions of this Lease or of the rules and regulations that continue for a period of thirty (30) days after written notice by the Owner to Lessee shall be grounds for immediate cancellation of the Lease and removal of Lessee.

DRAFT

Section 16. TERMINATION BY LESSEE. If Lessee terminates this Lease Agreement prior to the expiration of the Lease term without cause as provided herein, Lessee shall be liable to pay to Owner the base rental rate ("termination fee") for the remaining Lease term. All of the terms of the Lease Agreement must be complied with through the date of vacating the premises on or before the effective date of termination. Owner shall retain all remedies for non-compliance with the Lease Agreement.

If Owner is able to lease the Premises or Site prior to the end of the unexpired Lease term, Lessee shall be released from its obligation to further pay to Owner the termination fee for its early termination of the Lease Agreement.

Section 17. OWNER'S ACCESS. Lessee agrees to permit the Owner or Owner's authorized agents, upon at least twenty-four (24) hours advance notice, free access to the Premises at all reasonable times for the purpose of inspection of the Premises or for making necessary alterations, improvements or major repairs.

Section 18. DISCRIMINATION. The Lessee herein covenants by and for itself, its heirs, executors, administrator, and assigns, and all persons claiming under or through it that this Lease is made, accepted and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, the leasing, subleasing, transferring, use, occupancy, tenure, enjoyment of the Premises herein leased nor shall the Lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with referenced to the selection, location, number, use of occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the Premises herein leased.

Section 19. INDEMNIFICATION. Lessee shall indemnify and save harmless the Owner**,** its officials, officers, employees, agents and volunteers (collectively hereafter the "Owner"), against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify and save the Owner from any and all liability and expense, including reasonable defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever in any way resulting from or arising out of Lessee's**,** its employees, contractors, agents or invitees negligent or intentional acts in or on the Premises, or from conduct of Lessee, its employees, contractors, agents or invitees practice or business from any activity, work or things done.

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

Section 20. PARTNERSHIP DISCLAIMER. Lessee and any and all agents of Lessee shall act in an independent capacity and not as officers or employees of the Owner. Nothing herein contained shall be construed as constituting the parties herein as partners.

Section 21. VACATING PREMISES. Lessee shall, on the last day of said term or sooner termination of this Lease, peaceably and quietly leave, surrender and yield up to

the Owner, the Premises in good order, condition and repair, reasonable use and wear thereof and damage by acts of nature, excepted.

Section 22. COMPLIANCE WITH LAWS. Lessee shall at its sole cost and expense, comply with all the laws and requirements of all municipal, county, state and federal authorities now in force, or which may hereafter be in force pertaining to the Premises and use of the Premises as provided by this Lease.

Section 23. EASEMENTS AND RIGHT OF WAY. This Lease is subject to all existing easements and right of way. Owner further reserves the right to grant additional public utility easements as may be necessary and Lessee hereby consents to the granting of any such easements. The public utility will be required to reimburse Lessee for any damages suffered by Lessee caused by the construction work on the easement area.

Section 24. PARKING ACCESS. Unless specifically provided herein, if off-street parking is provided at the Site of the Premises, Lessee, its employees and invitees may have equal access to non-restricted/non-reserved parking spaces provided to all tenants on a first-come, first-served basis.

Section 25. RELOCATION. Lessee acknowledges that Lessee, its employees, contractors, subordinates and assigns are not entitled to any Relocation Payment or Relocation Advisory Assistance due to their occupancy of the Premises.

Section 26. FAILURE TO PERFORM. In the event of the failure, neglect or refusal of Lessee to do, or perform work, or any part thereof, of any act or thing in this Lease provided to be done and performed by Lessee, Owner shall, at its option, have the right to do and perform the same, and Lessee hereby covenants and agrees to pay Owner the costs thereof on demand.

Section 27. BINDING ON SUCCESSORS. Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of the Owner, and wherever the context permits or requires the successors in interest to the Lessee.

Section 28. AMENDMENTS. This Lease Agreement may be modified or amended only be written document executed by both Lessee and Owner's City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Lease Agreement.

Section 29. WAIVERS. A waiver by either party to this Agreement of any breach of any terms, covenants or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

Section 30. GOVERNING LAW AND SEVERABILTIY. This Agreement shall be governed by and construed under the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

DRAFT

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

Section 31. NOTICES. All notices, demands or requests to be given under this Lease Agreement shall be given in writing and conclusively shall be deemed received when: (a) delivered personally, or (b) on the third business day after the deposit thereof in the United States mail, postage prepaid, and addressed as hereinafter provided, or (c) one business day after send by facsimile transmission.

To OWNER:
City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director, General Services Department
(310) 605-5553
(310) 605-1753 – fax.

To LESSEE:
Compton Local Housing Authority
600 North Alameda Street
Compton, California 90220
Attn: Director
(310) 605-3080
(310) 605-3096

Section 32. ENTIRE AGREEMENT. This Lease and any exhibits or attachments hereto and incorporated herein constitute the entire agreement of Owner and Lessee. There are no agreements, terms, conditions or obligations other than those set forth herein. This Lease shall supersede all previous communications, representations or agreements, either verbal or written between Owner and Lessee. This agreement may be modified only by written agreement signed by both Owner and Lessee.

IN WITNESS WHEREOF, Lessee has executed this Lease and the Owner, by its City Manager, who is authorized to do so, has executed this Lease.

COMPTON LOCAL HOUSING AUTHORITY
LESSEE

By _____ **Dated: _____**
Delmonsha Green, (Interim) Director

DRAFT

CITY OF COMPTON/OWNER
Recommended for Approval:

By _____ **Dated: _____**
Van Wilson, Director
General Services Department

Approved by:

By _____ **Dated: _____**
G. Harold Duffey, City Manager

Approved as to form:

By _____ **Dated: _____**
Craig J. Cornwell, City Attorney

ATTEST:

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

Attachments: Resolution No.
Diagram of Premises
City Holiday Schedule

DRAFT

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Housing Authority**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND COMPTON LOCAL HOUSING AUTHORITY**

Delmonsha Green — **7/15/2013 3:39:45 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/18/2013 12:39:00 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/18/2013 11:17:48 AM**
CITY CONTROLLER — DATE

G. Harold Duffey — **7/16/2013 6:15:45 AM**
CITY MANAGER — DATE

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

July 23, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: G. HAROLD DUFFEY, CITY MANAGER

SUBJECT: REQUEST TO SCHEDULE A PUBLIC HEARING TO RECEIVE COMMENTS ON THE PROPOSED CITIZEN PARTICIPATION PLAN AND SUBSTANTIAL AMENDMENT TO REPROGRAM HUD FUNDS.

The City of Compton, as a direct entitlement community to the U.S. Department of Housing and Urban Development (HUD), is required to hold public hearings to receive input from residents on proposed funding allocations for CDBG, HOME, and ESG projects and activities. In addition, it is required to hold public hearings to receive input from residents on proposed changes to the Citizen Participation Plan and funding allocations for CDBG, HOME, and ESG projects/activities from current and/or prior years Action Plans. Therefore, in order to notify the public about the proposed Citizen Participation Plan and Substantial Amendment, a public hearing is requested for **Tuesday, September 3, 2013 at 5:50pm**.

G. HAROLD DUFFEY
CITY MANAGER

July 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **GLEN W.C. KAU, P.E., INTERIM PUBLIC WORKS DIRECTOR/CITY ENGINEER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICE AGREEMENT AND ISSUE A PURCHASE ORDER TO SARAKKI ASSOCIATES, INC., FOR ENGINEERING SERVICES ON THE TRAFFIC SIGNAL UPGRADE AND TRAFFIC MANAGEMENT AND OPERATIONS CENTER (TMOC) PROJECT**

SUMMARY

This resolution authorizes the City Manager to enter into a professional service agreement and issue a purchase order to Sarakki Associates, Inc. for engineering work needed to complete the Traffic Signal Upgrade and Traffic Management and Operations Center (TMOC) project.

BACKGROUND

In 2000, the City received Federal and County grants to improve its traffic signal control system and to install a Traffic Management and Operations Center at the transit center. These improvements include upgrading the traffic signal hardware and installing a new communications system. By upgrading the system, it will become more reliable and more responsive to traffic demands throughout Compton. This will reduce motorists' delay time at intersections, reduce congestion on City streets, and improve the overall air quality in the City.

On December 6, 2005, pursuant to Resolution No. 21,819, the City Council awarded a contract in the amount of $159,000 to Sarakki Associates Inc. to perform preliminary engineering and design work for the Traffic Signal Upgrade and TMOC project. The scope of work included performing project management services, conducting an inventory of the City's traffic signal equipment, assessing the condition of the equipment, making recommendations for improving the equipment, prioritizing the improvements, and preparing a project evaluation report. Sarakki has completed the tasks associated with this portion of the contract.

On April 14, 2009, pursuant to resolution No. 22,807, the City Council authorized the City Manager to enter into a professional service agreement with Sarakki Associates in the amount of $414,015 to provide project/systems management, design of Citywide communication infrastructure, manage installation/upgrade of traffic control hardware, construction management of citywide wireless communication network implementation, integration of upgraded traffic control hardware with advanced traffic management systems, coordination with Los Angeles County for traffic controller upgrade, Information Exchange Network (IEN) integration, coordination with contractors for installation of signal poles and conduits, and preparation of systems engineering management plan (SEMP) as per Caltrans guidelines.

In May 2009, the City entered into a professional service agreement and issued a purchase order in the amount of $414,015 for Sarraki Associates Inc. The consultant completed the Wireless Communication/Infrastructure, Coordination of LA County Controller Hardware Installation, Coordination with other contractors doing the signal poles and conduits upgrade including plan check and coordination and portions of Project/System Management and Integration of Upgraded Traffic Control Hardware with Advanced Traffic Management Systems at a cost of $188,061. There was a remaining balance of $225,954 left on the purchase order. Both the original agreement and the purchase order are no longer valid.

In order to continue with the project, in April 2013, staff requested that Sarraki Associates provide an updated proposal necessary to complete the TMOC portion of the Traffic Signal Upgrade project in an amount of $225,954. Please see the attached proposal.

The following is the status of the completed tasks necessary to fulfill the requirements of the original agreement with the City. The items are as follows:

Task Description	**Contract Amount**	**Percent Complete**	**Percent Remaining**	**Contract Amount**
Project/System Management	$58,400	62.68%	37.32%	$21,792
Wireless Communication/Infrastructure	$105,700	100%	0	$0
Manage Installation/Upgrade Controller Hardware	$33,800	0	100%	$33,800
Construction Management of Wireless Communication Network	$43,000	0	100%	$43,000
Integration of Upgraded (Econolite) Traffic Control Hardware with Advanced Traffic Management System (icons)	$90,800	11%	89%	$80,812
Coordination of LA County Controller Hardware Installation	$13,320	100%	0%	$0
Coordination, Implementation and Testing of LA County IEN Compton TMOC Server	$13,400	0%	100%	$13,400
Coordination with other contractors doing the signal poles and conduits upgrade including plan check and coordination	$36,600	100%	0%	$0
Development Systems Engineering Management Plan (SEMP)	$17,000	100%	0%	$0
System integration, and total	$33,150	0%	100%	$33,150

system testing of all system components over 18 months of project life				
Total Amount	**$445,170**			
***Amount Paid by City**	**<$31,155>**			
Original Contract Amount	**$414,015**			
New Contract Amount				**$225,954**

*The City paid $31,155 prior to the execution of the original agreement for coordination work performed with LA County and MTA.

The City is ready to complete the work associated with the Transportation Management Operation Center at the transit center. Staff seeks permission to enter into a professional service agreement for project implementation and engineering services with Sarakki Associates, Inc.

ALTERNATIVES

Due to the complexity of the project, it is necessary to continue with Sarakki Associates, Inc. for project continuity and success. Therefore, there is no other alternative being recommended.

FISCAL IMPACT

Funds in the amount of $225,954 are available in the Public Works Fiscal Year 2013-2014 budget for the utilization on the TMOC portion of the Traffic Signal Upgrade project in account number 1900-710-000-4290. Additionally, this resolution also includes a FY 2012-2013 unpaid invoice in the amount of $49,800. As of this writing, there is $715,021 in the account.

RECOMMENDATION

That the City Council adopt the attached resolution authorizing the City Manager to enter into a professional service agreement and issue a purchase order with Sarakki Associates in the amount of $225,954.

GLEN W.C. KAU, P. E.
INTERIM PUBLIC WORKS DIRECTOR/CITY ENGINEER

APPROVED FOR FORWARDING

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICE AGREEMENT AND ISSUE A PURCHASE ORDER TO SARAKKI ASSOCIATES, INC., FOR ENGINEERING SERVICES ON THE TRAFFIC SIGNAL UPGRADE AND TRAFFIC MANAGEMENT AND OPERATIONS CENTER (TMOC) PROJECT

WHEREAS, Public Works Department has received Federal and County MTA Grants for the improvement of the City's Traffic Signal Control System; and

WHEREAS, on April 14, 2009, pursuant to Resolution No. 22,807, the City Council authorized the City Manager to enter into a professional services agreement with Sarakki Associates, Inc. to perform engineering and design work necessary for said project; and

WHEREAS, Sarakki Associates, Inc. has completed the preliminary design for the City's Traffic Signal Upgrade and Traffic Management and Operations Center project; and

WHEREAS, additional engineering work is needed for Sarakki to complete the project; and

WHEREAS, funds in the amount of $225,954 are available in Account No. 1900-710-000-4290; and

WHEREAS, this Resolution also includes fiscal year 2012-2013 unpaid invoice in the amount of $49,800 to be paid in the current fiscal year.

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

SECTION 1. That the City Manager, upon advice of the City Attorney, is authorized to execute a professional service agreement with Sarakki Associates, Inc. for additional engineering necessary to complete the design and prepare construction plans and specifications for the Traffic Signal Upgrade and Traffic Management and Operations Center Project.

SECTION 2. That a purchase order is authorized to be issued in the amount of Two Hundred Twenty Five Thousand Nine Hundred Fifty Four Dollars ($225,954.00).

SECTION 3. That a contingency amount of up to Twenty Two Thousand Five Hundred Ninety Five Dollars and No Cents ($22,595) is hereby authorized.

SECTION 4. The funds shall come from Account No. 1900-710-000-4290.

SECTION 5. That copies of this Resolution shall be forwarded to the offices of the City Manager, City Controller, City Clerk, City Attorney and Public Works Department.

SECTION 6. 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 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 the 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

Revised Proposal for:

Renewal of Project/System Manager Services Contract

City of Compton
TMOC and Traffic Signal System Upgrade
Federal Project No. TEA 21-940

Original Award Date: Feb 2007

Submitted by:

Sarakki Associates Inc.
9841 Irvine Center Dr. Ste 203
Irvine, CA 92618

April 25, 2013

#12.

April 25, 2013

Table of Contents

1. Project Understanding 1
2. Project Approach 3
3. Project Team and Qualifications 5
4. Scope of Work 8
5. Revised and updated Cost Proposal 13

1. Project Understanding

The City of Compton has received federal funding (Project Number TEA 21-940) for the upgrade of City's Traffic Signal System and Traffic Management and Operations Center. The goals of the project are to improve mobility and decrease congestion using state-of-the-art Intelligent Transportation System technologies. Based on conversation with the city staff, the emphasis of the project is more on upgrading Traffic Signal System to enable the city to achieve the project goals.

The project is multi-disciplinary in nature. It involves several tasks that require the expertise of Traffic and Transportation Engineering, Computer and Communication Engineering, System Integration and Program Management. Because of the multi-disciplinary nature of the project, it involves multiple contractors and consultants. In order to achieve successful project implementation, it is essential to design and implement the following components of the project in close coordination with all the agencies, contractors and consultants.

Various activities for the successful implementation of the project can broadly be grouped under the following tasks.

1. Traffic signal design and construction
2. Communication system design and installation
3. Procurement of hardware and software
4. System Integration and Testing
5. Coordination with City Staff and Contractors
6. System Training and Documentation
7. Overall Program and System Management
8. Preparation of Systems Engineering Management Plan (SEMP)

The following tentative project schedule was based on the original project timeline. However, it needs to be updated based on the new contract approval date. The schedule is included to show the tasks involved in the system manager services contract.

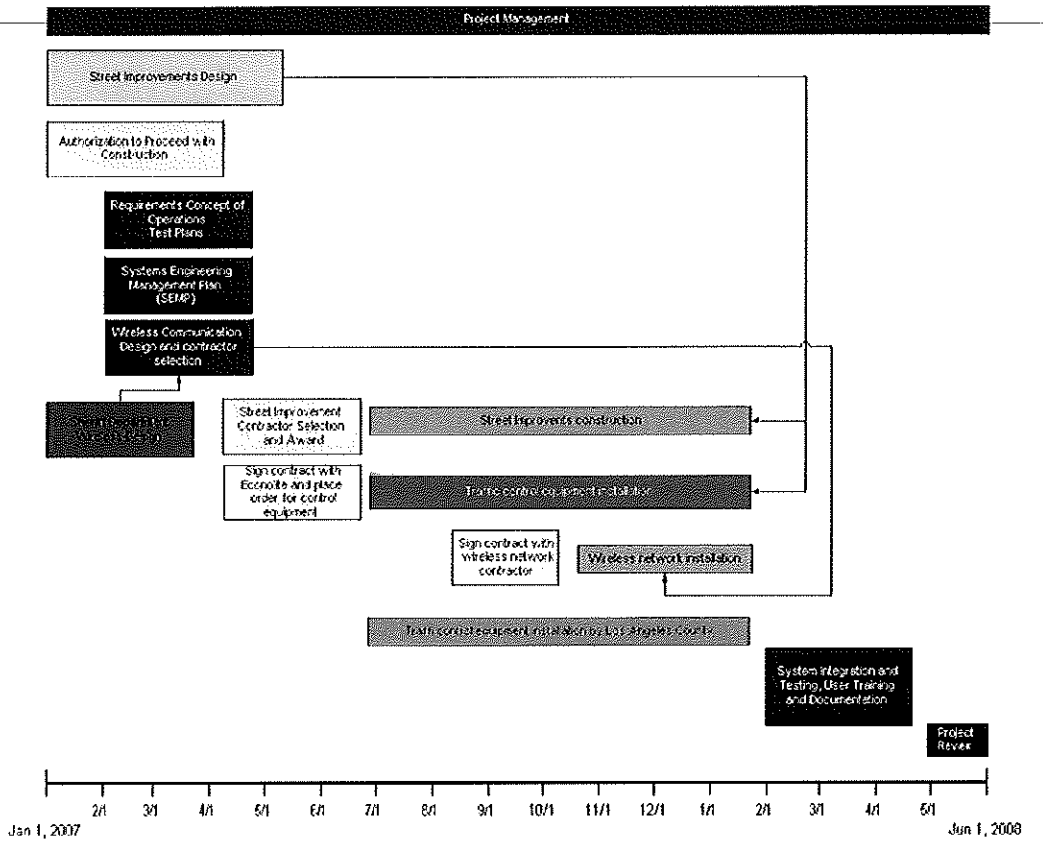


Figure 1: Tentative Project Schedule

To implement a citywide traffic signal system with centralized control, the City will have to install a communication infrastructure. With the limited budget available, we understand that the City is keen on implementing wireless communication which is more than adequate to meet the City's needs for the foreseeable future.

In addition to the traffic signal control system, the City is also interested in upgrading the old signal poles, signal heads, conduits and wiring. SAI is familiar with the upgrades being carried out in the field and will coordinate with the concerned design/implementation team to integrate their improvements with the overall traffic signal system upgrade.

Since SAI has been involved in the project from its conceptual funding stage, we clearly understand all the project requirements, city's requirements, Federal Highway Administrations (FHWA) requirements, Los Angles County requirements and State of Califorinia's (Caltrans) requirements. Further, SAI or its staff members have successfully designed and implemented many TEA-21 projects throughout Southern California.

More importantly, SAI understands City's needs through our 8 year years of involvement. SAI carried out several preliminary tasks from signal inventory to preparation of City's ITS Master Plan. Our complete and thorough understanding of the various project components enables us to deliver project deliverables on schedule and budget to the complete satisfaction of the City and other project stakeholders.

2. Project Approach

SAI intends to use (where applicable) the Systems Engineering approach as per FHWA and Caltrans guidelines for ITS projects. Systems Engineering is required for all federal-aid ITS projects per 23 CFR 940, regardless of size or complexity.

Systems engineering helps accomplish four key activities that impact a project's success. These are:

1. Identify and evaluate alternatives – This step looks at each alternative for technical feasibility, financial feasibility and schedule feasibility. A good alternative selection should consider all the three before a recommendation is made.
2. Manage uncertainty and risk in ITS projects: Following this step helps to reduce the project risks by following three steps: Risk identification, Analysis and Mitigation.
3. Design quality into the system: This ensures that the implemented system can easily be maintained and operated using the standardized products. Further, the system ensures reliability and flexibility.
4. Handle program management issues that arise: This step is achieved using a good project management plan that is complete and comprehensive. It is important to lay out all the project components and see how they will come together. This will identify any shortcomings in the project and program management.

Thus, following the systems engineering approach reduces the risk for the City and enhances overall project quality from the conceptual stage to actual implementation, testing, acceptance and operation and maintenance.

Figure 2 shows the Systems Engineering (SE) process depicted on a 'Vee' diagram. The process covers the entire life cycle of a project, from planning to design, operations and maintenance. The SE process transforms user (City of Compton) needs into system requirements and then into a system design. As a result, SE ensures a successful and long-lasting system by reducing long-term system costs, risk, satisfying user's needs, and improving system quality.

#12.

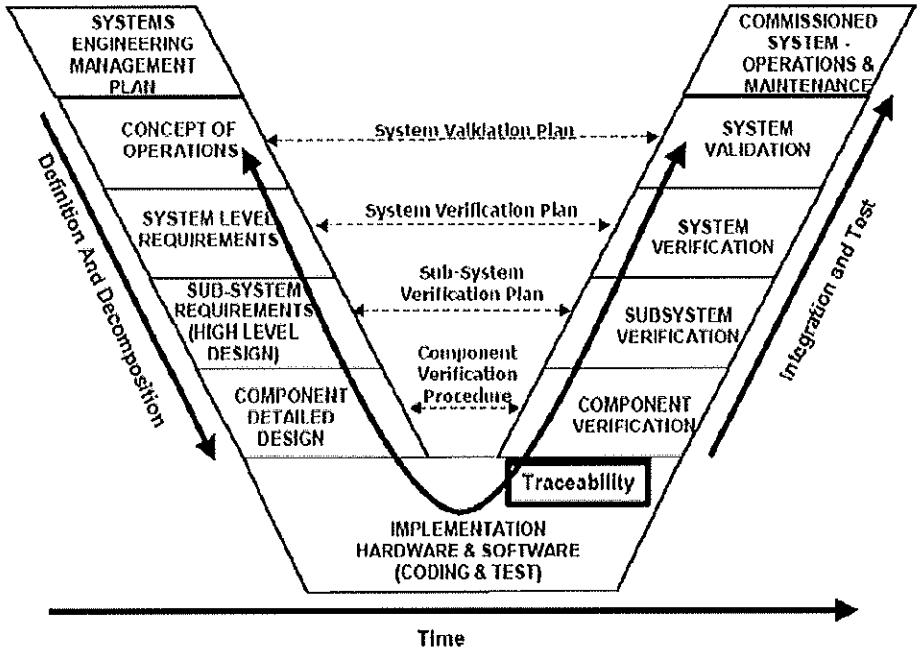
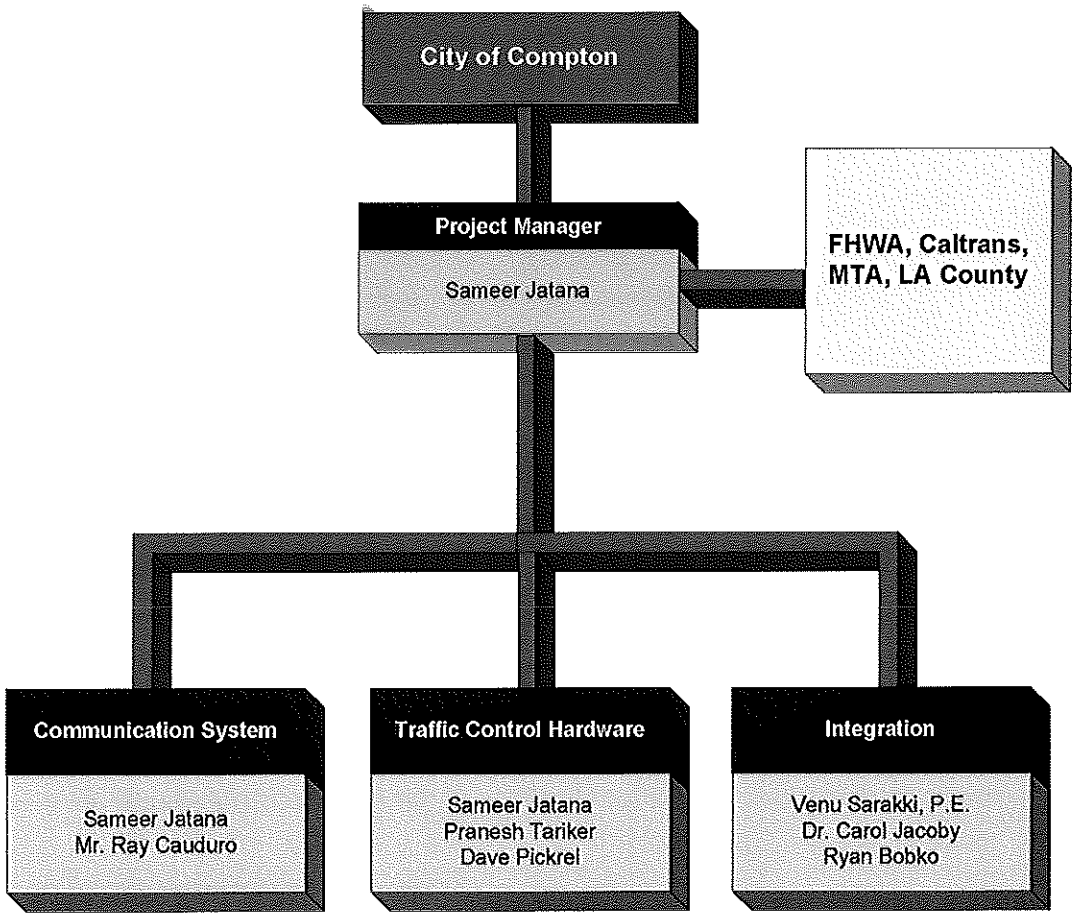


Figure 2: FHWA's "Vee" System Integration Model

3. Project Team and Qualifications

SAI has assembled an experienced and competent project team that can deliver all the tasks on schedule and budget. Mr. Sameer Jatana, who has been involved with the City ever since project's inception, will serve as the Project Manager. Mr. Jatana has extensive project experience in leading, managing and delivering similar projects across the Southland. He will be assisted by Mr. Venu Sarakki and other staff member from SAI. Mr. Sarakki has over 20 years experience in the Intelligent Transportation Systems field and will provide active support and guidance to Mr. Jatana. A brief description of the key personnel is given in the following paragraphs.



Mr. Sameer Jatana

Mr. Jatana will serve as the Project and System Manager for the TMOC project. Mr. Jatana is a Senior Systems Engineer at SAI. He has over 10 years extensive experience and background in Intelligent Transportation Systems, Information Technology, and Traffic Control Systems. He is has worked as senior project engineer and integration project manager for various ITS projects in the cities of Mission Viejo, Buena Park, Garden Grove, Pasadena, Orange County Transportation Authority and MTA. He has a BS degree in Mechanical Engineering and MS degree in Computer Science from California State University, Fullerton. He has thorough understanding of the project since its infancy stage and has worked with City of Compton, MTA, LA County and Caltrans District 7 with respect to the TMOC project.

Mr. Venu Sarakki P.E

Mr. Sarakki has over 20 years of experience in Intelligent Transportation Systems, Traffic Control Systems and traditional traffic and transportation engineering. He will be supporting Mr. Sameer Jatana as a senior engineer, in over all project management, resource allocation and integration issues. Mr. Sarakki along with Mr. Jatana, has been involved in the TMOC project from its funding application stage and fully understands the project requirements. Mr. Sarakki has two master degrees in Civil Engineering and is a registered Professional Engineer in the State of California.

Dr. Carol Jacoby

Carol Jacoby will assist SAI in the capacity of advisor. Dr. Jacoby has been active in ITS since 1992. She recently co-authored the *Systems Engineering Guidebook for ITS* for Caltrans and the Federal Highway Administration. She was a key contributor to early development of the National ITS Architecture. She taught ITS Systems Engineering to transportation professionals, and has supported the development of the National Automated Highway System, the Orange County Intelligent Vehicle/Highway System, and the Southern California Priority Corridor. She has earned the reputation of an expert in architecting and analyzing complex information-intensive systems during a career spanning more than 30 years.

Mr. Ryan Bobko

Mr. Bobko has over eight years experience as an Information Technology specialist. He has worked on different traffic and transportation engineering databases and networks for various projects in LA and Orange Counties. He will assist SAI as needed in setting up the data servers and traffic data network at the TMOC.

Mr. Ray Cauduro

Mr. Ray Caudoro specializes in wireless communications. He has designed, sold, installed and maintained various RF based systems including two-way radio, radar, microwave and data collection systems.

He has participated in the design and deployment of wireless systems utilized in the Traffic and Transportation marketplace in 900Mhz, 2.4GHz, 5.8GHz, 23GHz, and 24GHz. The design and deployment activities he has been involved in include equipment selection based on system requirements, Path and RF Frequency surveys, supervising installation and commissioning of systems.

4. Updated Scope of Work

SAI proposes the following tasks, which when fully implemented will result in a seamless and fully integrated end-to-end traffic control system for the City of Compton. The tasks identified will meet the project requirements and also the stakeholder requirements.

Task 1: Project/Systems Management *(63% Complete)*

SAI has identified Mr. Sameer Jatana as the project manager for this important project. He will be reporting directly to the City's project manager Mr. Chuck Bergson or his designate. Mr. Jatana will be responsible for the timely completion of various tasks outlined below and will additionally track costs and resources on this project.

As part of the project management task, SAI will attend monthly project update meetings with the City along with the subcontractor key personnel. Project milestone progress meetings will be attended and action items to move the project forward will be discussed. In a multi-disciplinary and multi-agency project like this, coordination with other city, state and federal agencies becomes very important. In addition to the progress reports and coordination meetings minutes, quarterly project progress report will be submitted to FHWA as per the requirement.

Deliverables: Milestone progress reports, meeting minutes and Quarterly Progress reports per FHWA requirements.

Task 2: Design of Citywide Communication Infrastructure (100% Complete)

The SAI team finished this task. SAI did field visit of the Compton City area to determine the exact type of the wireless communication network which will meet City's immediate and near term communication needs. This lead to a detailed wireless infrastructure design. The design will be in sufficient detail to serve as the scope of work for the procurement of a contractor for the installation of communication system. Since the wireless network hardware is typically mounted on elevated structures, SAI recommends that the City, to start the process of getting approval from other agencies to utilize their poles and/or high vantage points. This will be done if no City owned elevated structures are available in the vicinity of the proposed wireless hub sites.

The City of Compton Sheriff's department is in the process of designing a wireless network in parts of the City for their surveillance and security needs. SAI will coordinate with the Sheriff's Department as long as their requirements do not cause any project delays for the TMOC project.

Some of the sub-tasks under the communication task include the following:

a. Define the bandwidth and system requirements for the communication system
b. Perform Site Survey and identify any field obstacles to achieve line of sight and signal strength
c. Prepare the preliminary network design for the City of Compton

d. Prepare installation plans for the contractor
e. Prepare operation plan for the network connectivity

Deliverable: City of Compton Wireless Communication System Design Report

Task 3: Manage Installation/Upgrade of Traffic Control Hardware (100% Complete)

It is our understanding that the City has decided to get the Econolite traffic signal controllers with associated hardware and Autoscope video detection cameras. As part of this crucial task, SAI will oversee the installation of traffic control hardware as per the plans and specifications. Some of the sub-task include the following:

- Serve as city's system manager in overseeing Econolite's installation
- Ensure that the controller changes are as per the plans and specifications
- Ensure that there is no duplication in controller replacements between LA County and Econolite
- Provide guidance and recommendations to both City and Econolite on technical matters during controller replacement and installation

Deliverable: Controller hardware and software upgrade and replacement report

Task 4: Construction Management of Citywide Wireless Communication Network Implementation (Not yet started – 100% remaining)

As part of this task, SAI will provide implementation oversight as per the design specification and also as part of management services to the City. SAI will assist in the procurement of a communication contractor for the implementation of the communication system designed as part of Task 1. Some of the sub-tasks include the following:

- Develop scope of work to procure a communication contractor
- Recommend best methods to procure communication equipment (i.e directly purchased by city or procured through contractor)
- Assist the city of Compton, in the bid evaluation and selection of a communication contractor
- Oversee the wireless network installation as per *design* specifications
- Prepare communication system test and acceptance plans
- Approve contractors work in compliance with design specifications

Deliverable: Communication Test and Acceptance Plans, SOW for hiring the contractor.

Task 5: Integration of Upgraded Traffic Control Hardware with Advanced Traffic Management System-icons(Not yet started. 100% remaining)

This is one of the most important tasks in the TMOC project. This task ensures various ITS elements (such as video detection cameras, traffic controllers etc.,) can communicate to the central traffic control system. As part of this task, SAI will mange

the integration of the field traffic control hardware with the Icons (now called *Centracs)* Advanced Traffic Management System. Econlolite's Centracs system will provide City, the capability of directly communicating with the field traffic signal controllers for updating timing plans and troubleshooting communication failures. The *Centracs* system will be installed on 4 workstations for the City traffic/maintenance engineers to access from remote locations or from their desktops. The sub-tasks include system management of the following task elements.

- System integration of field devices with central TMOC
- Oversee and approve the procurement and installation of System Hardware
- Oversee and approve the procurement and installation of System Software
- Oversee the seamless integration of *Centracs* with TMOC Hardware
- Develop system acceptance test plans
- Develop system test reports with pass or fail grade

Deliverables: Results of final system integration and acceptance test plans

Task 6: Coordination with LA County for Traffic Controller Upgrade (100% complete)

Based on conversations with the Los Angeles County, SAI has been informed that LA County will be upgrading some traffic controllers and/or cabinets at various intersections within Compton. Design and installation of traffic control equipment at those locations will not be part of SAI's scope of work. However, in order to have the complete citywide traffic control system up and running, SAI will coordinate with the Los Angeles County Department of Public Works to have upgrades done by prior to City's system integration effort.

Deliverable: Coordination meeting minutes and scheduling of tasks

Task 7: IEN Integration *(30% complete)*

Integration of the Information Exchange Network (IEN) will be carried out by the Los Angeles Department of Public Works (LADPW). SAI will coordinate with LADPW for the installation of IEN workstation, site server and integration with City's proposed *icons* system. SAI will enable integration of IEN with City of Compton's traffic control system computers.

Deliverables: Coordination meeting minutes, implementation schedule

Task 8: Coordination with contractors for installation of signal poles and conduits (100% Complete)

As stated before, the TMOC ITS project is multi-disciplinary in nature and needs coordination among many sub-contractors and consultants. SAI will produce a master schedule to monitor various contractors and consultants to identify critical paths and also gaps in the construction and implementation schedules. This effort will minimize the risk to budget and schedule and also the risk of non-compliance with MTA and FHWA guidelines.

For example, the design and installation of poles, conduits, inductive loops and other related hardware is being carried out by another consultant directly contracted by the City. Since the physical improvements need to be integrated with the City's traffic control system, SAI will coordinate with the design team - Katz Okitsu Associates (KOA) and other contractors to ensure the improvements are completed on time before traffic controller installation, testing and overall system integration.

Deliverables: Coordination meeting minutes, budget and schedule updates

Task 9: Preparation of Systems Engineering Management Plan (SEMP) as per Caltrans guidelines (100% Complete)

As per Caltrans Local Assistance Guidebook, SEMP is the primary, top-level technical management document that defines and describes the Systems Engineering Management, the tailored Systems Engineering process, and how the technical disciplines will be integrated for the life of a transportation project. SEMP establishes the technical program organization, direction, and control mechanisms for the project to meet its cost, schedule, and performance objectives. It is the foundation for all engineering activities during the entire project

A SEMP needs to be developed for every project that includes software/ hardware integration. SAI has prior experience in developing a SEMP for similar projects for several cities in Southern California. SAI will prepare the SEMP before the start of other tasks of this project in compliance with Caltrans guidelines.

Deliverables: The SEMP document per Caltrans Local Assistance Guidelines

All the nine tasks detailed above are needed to achieve the objectives of the TMOC and Signal System Upgrade project proposed by the City. This is ITS project and there is no clear break between the Preliminary Engineering (PE) and construction phase of this project.

But, to draw a close approximation to a traditional non-ITS projects, the above 9 tasks can be classified in the following 3 categories:

Preliminary Engineering

Task 9: Preparation of Systems Engineering Management Plan (SEMP) as per Caltrans guidelines

Construction Engineering/Systems Management

Task 1: Project/Systems Management
Task 3: Manage Installation/Upgrade of Traffic Control Hardware
Task 4: Construction Management of Citywide Wireless Communication Network Implementation
Task 6: Coordination with LA County for Traffic Controller Upgrade
Task 7: IEN Integration

#12.

Task 8: Coordination with other contractors doing the signal poles and conduits upgrade

Construction
Task 5: Integration of Upgraded (Econolite) Traffic Control Hardware with Advanced Traffic Management System (icons)
Task 2: Citywide Communication Infrastructure Architecture

5. Revised and Updated Cost Proposal

City of Compton TMOC and Traffic Control System Upgrade Project (TEA-21 #940) System Manager Services Cost Proposal					
Task Description		Original Contract Amount (March 2007)	Percent Complete	Percent Remaining	Renewal Contract
1. Project/System Management	$	58,400	62.68%	37.32	$21,792
2. Wireless Communication Infrastructure Architecture	$	105,700	100%	0	$0
3. Manage Installation and Upgrade of Controller Hardware	$	33,800	0	100%	$33,800
4. Construction Management of Wireless Communication Network Inlcuding testing	$	43,000	0%	0%	$43,000
5. Integration of Upgraded (Econolite) Traffic Control Hardware with Advanced Traffic Management System (icons)	$	90,800	11%	89%	$80,812
6. Coordiantion of LA County Controller Hardware Installation	$	13,320	100%	0%	$0
7. Coordiantion, Implementation and Testing of LA County IEN Compton TMOC Server	$	13,400	0%	100%	$13,400
8. Coordination with other contractors doing the signal poles and conduits upgrade including plan check and coordination	$	36,600	100%	0%	$0
9. Develop Systems Engineering Management Plan (SEMP)	$	17,000	100%	0%	$0
10. System integration, and total system testing of all system components over 18 months of project life	$	33,150	0%	100%	$33,150
Sub-Total Original Contract	**$**	**445,170**			
Renewal Contract Total Amount					**$ 225,954**

Out of $445,170 proposed, city paid $31,155 before the contract award. So the contract amount that was approved by the City council in 2007 was $414,015 ($445,170-31,155).

#12.

Original Cost Proposal March, 2007

City of Compton
TMOC and Traffic Control System Upgrade Project (TEA-21 #940)
System Manager Services Cost Proposal

Task Description	Principal $155	Project Manager $120	Senior Sys. Engr $150	Principal Comm. Engr $175	Senior Comm. Engr $175	TOTAL
1. Project/System Management	160	280				$58,400
2. Wireless Communication Infrastructure Architecture	60	120	80	160	240	$105,700
3. Manage Installation and Upgrade of Controller Hardware	80	120			40	$33,800
4. Construction Management of Wireless Communication Network Inlcuding testing	80	80			120	$43,000
5. Integration of Upgraded (Econolite) Traffic Control Hardware with Advanced Traffic Management System (icons)	60	200	150	100	100	$90,800
6. Coordiantion of LA County Controller Hardware Installation	24	60	16			$13,320
7. Coordiantion, Implementation and Testing of LA County IEN Compton TMOC Server	40	60				$13,400
8. Coordination with other contractors doing the signal poles and conduits upgrade including plan check and coordination	120	150				$36,600
9. Develop Systems Engineering Management Plan (SEMP)	40	40	40			$17,000
10. System integration, and total system testing of all system components over 18 months of project life	90	160				$33,150
Total Hours	754	1270	286	260	500	
Total Cost	116870	152400	42900	45500	87500	**$445,170**

7.

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
CITY OF COMPTON
AND
SARAKKI ASSOCIATES, INC.

[CIP #06-06, Federal Project # TEA 21-940]

This **AGREEMENT** is entered by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and **SARAKKI ASSOCIATES, INC.** (hereinafter referred to as **"CONSULTANT"**), located at 9841 Irvine Center Drive, Suite 203, Irvine, California 92618.

RECITALS:

WHEREAS, the **CITY** received Federal and county grants to improve the traffic signal control system and install a Traffic Management and Operations Center ("TMOC") at the Transit Center; and

WHEREAS, in 2009 the **CITY** and the **CONSULTANT** (Sarakki Associates, Inc.) entered into a Professional Services Agreement whereby **CONSULTANT** was to provide project/systems management, design Citywide communications infrastructure, manage installation/upgrade of traffic control hardware, construction management of Citywide wireless communications network implementation, integration of upgraded traffic control hardware with advanced traffic management systems, coordination with County for traffic controller upgrade, Information Exchange Network (IEN) integration, coordination with contractors for installation of signal poles and conduits and preparation of Systems Engineering Management Plan (SEMP) per Caltrans guidelines at a cost of $414,015.00, however all of the tasks were not completed; and

WHEREAS, there is a remaining balance of $225,954.00 and the **CITY** desires to enter into another agreement with **CONSULTANT** to complete the remaining tasks; and

WHEREAS, by Resolution No. _____, adopted on the __ of _____ 2013, the City Council authorized the City Manager to accept the proposal of the **CONSULTANT** (Sarakki Associates, Inc.) and enter into a contract to complete the necessary services; and

WHEREAS, CONSULTANT warrants that it is specifically trained, experienced, competent, and has the resources to provide such services which will be required by this project; and

WHEREAS, CONSULTANT is willing to render such professional services subject to the terms and conditions set forth in this Agreement.

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

AGREEMENT:

1. SCOPE OF SERVICES TO BE RENDERED BY CONSULTANT

It is the mutual understanding of the parties that the **CONSULTANT** shall perform and be responsible for providing professional engineering and project management services for completion of below-indicated tasks and deliverables for the Traffic signal Upgrade/Traffic Management Operations Center Project. Significant project deliverables shall include, but not be limited to the following tasks:

Task 1: Project/Systems Management (37.32% remaining)

Task 2: Management of Installation/Upgrade of Controller Hardware (100% remaining)

Task 3: Construction Management of Wireless Communication Network (100% remaining)

Task 4: Integration of Upgraded Traffic Control Hardware with Advanced Traffic Management System-icons (89% remaining)

Task 5: Coordination of County Controller Hardware Installation (100% remaining)

Task 6: Coordination with other contractors doing signal poles and conduits upgrades including plan check and coordination (100% remaining)

Task 7: Develop Systems Engineering Management Plan (SEMP) (100% remaining)

as more fully discussed in the **CONSULTANT's "Revised Proposal for Renewal of Projects/System Manager Services Contract"** (dated April 25, 2013)**,** which is incorporated by this reference.

It is understood and agreed that **CONSULTANT** 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 **CONSULTANT** to do and perform **CONSULTANT's** work in a skillful and professional manner.

CONSULTANT agrees to perform all the said services and furnish all the necessary materials, supplies and equipment 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.

CONSULTANT services hereunder shall be performed in good, workmanlike and professional manner. **CONSULTANT** shall be responsible for correcting and completing all errors and omissions related to the services provided by the **CONSULTANT** at no additional cost to the **CITY.** "Errors" and "Omissions" for purposes of this paragraph are defined to mean a failure by the **CONSULTANT** to meet the standards of its profession as set forth in the preceding paragraph.

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

2. ASSIGNMENT OF PERSONNEL

CONSULTANT has, or will secure, all personnel required to perform the services under this Agreement. **CONSULTANT** shall make available other qualified personnel of the firm as may be required to complete **CONSULTANT's** services. The **CITY** and **CONSULTANT** agree such personnel are employees only of **CONSULTANT** and shall not be considered to be employees of the **CITY** in any way whatsoever.

Sameer Jatana, P.E., Senior Systems Engineer of **CONSULTANT**, shall be primarily responsible for representing **CONSULTANT** in performance of this Agreement.

3. DURATION OF CONTRACT

CONSULTANT agrees to commence the services provided for herein upon written Notification to Proceed from the **CITY** and to continue in a diligent and professional manner until the project is complete, unless terminated earlier. The parties anticipate that **CONSULTANT's** services will be completed by or before June 30, 2014.

4. COMPENSATION

The method of payment for this Contract will be on a fee-for-services, per Task, basis as specified within **CONSULTANT's "Revised and Updated Cost Proposal"**. The total price paid the **CONSULTANT** will include compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the **CONSULTANT**, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total compensation will be negotiated between the **CONSULTANT** and the **CITY**. Adjustment in the total compensation will not be effective until authorized and approved by the **CITY.**

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the **CONSULTANT**. If **CONSULTANT** fails to submit the required deliverable items according to schedule or as required by the Agreement, except for those amounts that are due and not reasonably in dispute, the **CITY** shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

CONSULTANT shall be reimbursed within thirty (30) days, or as promptly as fiscal procedures may permit, upon receipt by the **CITY** of itemized invoices for services completed. Invoices shall be submitted no later than 45 calendar days after the performance of work for which the **CONSULTANT** is billing. Invoices shall detail the work performed on each task as applicable. Invoices shall be delivered or mailed to the Director of Public Works Department at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

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

As full and complete compensation for performance of all the services performed by the **CONSULTANT** pursuant to this Agreement, **CITY** shall pay, and **CONSULTANT** agrees to accept, a not-to-exceed maximum sum of **Two Hundred Twenty Five Thousand Nine Hundred Fifty Four Dollars ($225,954.00).** The parties understand and agree that this total compensation amount includes 2012-2013 Fiscal Year unpaid invoice(s) owed to **CONSULTANT** in the amount of $49,800.00.

In the event of termination, the **CONSULTANT** shall be entitled to compensation for the reasonable value of services performed to the effective date of termination, including any noncancellable obligations incurred prior to termination; provided, however, that the **CITY** may condition payment of such compensation upon the **CONSULTANT's** delivery to the **CITY** of any and all **CITY** property, documents, reports, records, materials and work product associated with the performance of this Agreement.

5. OWNERSHIP OF MATERIALS

All electronic and hardcopy drawings, designs, data, reports, documents, discs, diskettes or other material ("Documents") first prepared, developed or discovered by or for **CONSULTANT** 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 **CONSULTANT** in the documents are hereby assigned to the **CITY. CONSULTANT** 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

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

7. SUCCESSORS, ASSIGNMENT AND DELEGATION

CITY and the **CONSULTANT** each binds himself, his partners, successors, assigns and legal representatives to the other hereto and to partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in this Agreement.

The expertise and experience of **CONSULTANT** are material considerations for this Agreement. **CONSULTANT** shall not assign or transfer any interest in this Agreement or the

performance of any of **CONSULTANT's** obligations under this Agreement without the prior written consent of the **CITY**. Any attempted assignment or transfer of any of **CONSULTANT's** rights, duties or obligations arising under this Agreement shall be null and void.

8. NONDISCRIMINATORY EMPLOYMENT PRACTICES

During the performance of this Agreement, the **CONSULTANT** agrees not to discriminate against any employee or applicant for employment because of race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. **CONSULTANT** will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The **CONSULTANT** agrees to post in conspicuous places, available to employees, applicants and subcontractors for employment, notices setting forth the provisions of this non-discrimination clause.

In the event of the **CONSULTANT's** non-compliance with the non-discrimination clause of this Agreement, this Agreement may be immediately canceled, terminated or suspended in whole or in part.

9. INDEMNIFICATION

CONSULTANT shall indemnify and save harmless the **CITY**, its officials, officers, employees, agents and volunteers (collectively hereinafter the "City"), against any and all damages to property or injuries to or death of any person or persons, including property and employees or agents of the **CITY** and shall indemnify and save the **CITY** from any and all liability and expense including reimbursement of reasonable defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever to the extent resulting from or arising out of the negligent or intentional acts or omissions for **CONSULTANT**, its officers, employees, subconsultants, subcontractors or agents in the performance of the duties undertaken by **CONSULTANT** pursuant to this Agreement.

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

10. INSURANCE

A. Without limiting the **CONSULTANT's** indemnification of the **CITY,** **CONSULTANT** 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.

Such insurance, which shall be provided by insurer(s) satisfactory to the **CITY's** Risk Manager, shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the **CITY**. Evidence of insurance shall be delivered to the **CITY** at the

time of **CONSULTANT's** execution of this Agreement. Such evidence shall specifically identify this Agreement and shall contain express conditions that the **CITY** is to be given written notice at least thirty (30) days in advance of any termination or implementation of a reduction of limits or material change of insurance coverage as specified herein, including at least ten (10) day notice of any non-payment of premium(s). Failure on the part of the **CONSULTANT** to procure or maintain insurance shall constitute a material breach upon which the **CITY** may immediately terminate this Agreement.

All insurance required hereunder shall be primary with respect to any insurance maintained by the **CITY.** Program(s) of insurance shall include:

1. General Liability: **CONSULANT** 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 and

broad form property damage 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.

2. Workers' Compensation Insurance: **CONSULTANT** 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.

3. Professional Liability: Insurance covering liability from any error, omission, negligent or wrongful act of the **CONSULTANT**, its officers, employees, agents and professional consultants of at least **One Million Dollars ($1,000,000.00)**. The coverage shall also provide an extended two (2) year reporting period commencing upon termination or cancellation of this Agreement.

4. Insurance Endorsements. The general liability insurance policy shall be endorsed with the following language:

a. 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**.

b. The insurer waives all rights of subrogation against the **CITY**.

c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the **CITY**.

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

B. 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 and subcontractors performing services under this Agreement meet the insurance requirements of this Agreement.

11. PERMITS AND LICENSES

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

Prior to commencement of services provided by this Agreement, the **CONSULTANT** shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

12. WARRANTIES

CONSULTANT represents and warrants (i) that **CONSULTANT** has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with **CONSULTANT's** undertaking this relationship with **CITY**, (ii) that the performance of the services called for by this Agreement do not and will not violate any applicable law, rule or regulation or any proprietary or other right of any third party, (iii) that **CONSULTANT** will not use in the performance of his responsibilities under this Agreement any confidential information or trade secrets of any other person or entity and (iv) that **CONSULTANT** has not knowingly entered into or will enter into any agreement (whether oral or written) in conflict with this Agreement.

13. FEDERAL AND STATE WITHHOLDING TAXES

CONSULTANT shall be responsible for paying when due all federal and state income withholding taxes for all earning under this Agreement. **CONSULTANT** agrees to indemnify **CITY** for any claims, costs, losses, fees, penalties, interest, or damages suffered by **CITY** resulting from **CONSULTANT's** failure to comply with this provision.

14. COMPLIANCE WITH LAW

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

15. 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.

16. CONSULTANT's BOOKS AND RECORDS

CONSULTANT 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.

CONSULTANT shall maintain all documents and records which demonstrate performance under this Agreement for the period and to the extent required by laws relating to audits of public agencies and their expenditures.

Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the **CITY** or a designated representative. Copies of such documents shall be provided to the **CITY,** at its expenses, for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at **CONSULTANT's** address indicated for receipt of notices in this Agreement.

17. EXAMINATION AND AUDIT

This contract 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. TERMINATION

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

a. The **CITY** may terminate this Agreement at any time by giving five (5) days written notice of termination to **CONSULTANT**. If the **CITY** gives such notice of termination, **CONSULTANT** shall cease immediately all work in progress, unless otherwise directed by the **CITY**.

b. **CONSULTANT** may terminate this Agreement at any time upon ten (10) days written notice of termination to the **CITY.**

c. If **CONSULTANT** fails to perform or breaches any material obligation under this Agreement, after giving written notice of default and two (2) days to correct the same, then, in addition to any other remedies, the **CITY** may terminate this Agreement immediately without further notice.

d. The **CITY** may terminate this Agreement immediately upon written notice if **CONSULTANT** becomes insolvent; that is, it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether or not it has committed an act of bankruptcy, and whether or not insolvent within the meaning of the federal Bankruptcy law.

e. 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**.

f. Upon termination by either the **CITY** or **CONSULTANT, CONSULTANT** shall deliver to the **CITY** all property of the **CITY** in **CONSULTANT's** possession and copies of all

reports, documents and other work prepared by **CONSULTANT** pursuant to this Agreement. **CONSULTANT** shall furnish to the **CITY** a final invoice for work performed.

19. AMENDMENTS

This Agreement may be modified or amended only be written document executed by both **CONSULTANT** and **CITY's** City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

20. CONFIDENTIAL INFORMATION

All information relating to **CITY** that is known to be confidential or proprietary, or which is clearly identified as such, will be held in confidence by **CONSULTANT** and will not be disclosed or used by **CONSULTANT** except to the extent that such disclosure or use is reasonable necessary to the performance of this Agreement.

21. GOVERNING LAW AND SEVERABILTIY

This Agreement shall be governed by and construed under the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

22. EXTENT OF AGREEMENT AND EXHIBITS INCORPORATED

This Agreement, any attachments hereto and documents incorporated herein, 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

Any notices required or permitted under this Agreement shall be effective when delivered in person; and effective one (1) business day after delivery by facsimile transmission; and effective three (3) business days after mailing by U.S. Mail, postage prepaid and properly addressed as follows:

TO CONSULTANT: **SARAKKI ASSOCIATES, INC.**
9841 Irvine Center Drive, Suite 203
Irvine, California 92618
Attn: Venue Sarakki, President
(949) 851-3000
(949) 851-3055 – fax.
www.sarakki.com

TO CITY: **CITY OF COMPTON**
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director, Public Works Department
(310) 605-5505
(310) 761-1417 – fax.

Note: A copy of any notice provided to the Director shall also be provided to: City Manager, 205 South Willowbrook Avenue, Compton, California 90220.

24. MISCELLANEOUS and CERTIFICATIONS

CERTIFICATIONS OF CONSULTANT

I, Venu Sarakki**, HEREBY CERTIFY** that I am the President, and duly authorized representative of the **CONSULTANT** firm of Sarakki Associates, Inc., and that, except as hereby expressly stated, neither I nor the above firm that I represent have:

(a) employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above consultant) to solicit or secure this agreement; nor

(b) agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the agreement; nor

(c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above consultant) any fee, contribution, donation, or consideration of any kind, for or in connection with, procuring or carrying out this agreement.

DEBARMENT AND SUSPENSION CERTIFICATION

The **CONSULTANT**, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct in connection

with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract under a public transaction; violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property within the past 3 years; and

- are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in the preceding paragraph; and
- have not had one or more public transactions (Federal, State or local) terminated for cause or default within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining **CONSULTANT** responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

The above certifications are part of this contract. Signing this agreement on the signature portion thereof shall also constitute signature of the above Certifications.

_____ _____

Venu Sarakki, President **(Date)**

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision.

Should either party hereto, or any representative, successor or assign of either party hereto, resort to litigation to enforce the provisions of this Agreement, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to recover its or their reasonable attorney's fees and costs in such litigation from the party or parties against whom enforcement is sought.

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

SARAKKI ASSOCIATES, INC.
CONSULTANT

Dated: _____ **By _____**
Venu Sarakki, President

CITY OF COMPTON
Recommended for Approval:

By _____ **Dated: _____**
Glen W. C. Kau, P.E., (Interim) Director
Public Works/Municipal Utilities Department

Approved by:

Dated: _____ **By _____**
G. Harold Duffey, City Manager

Approved as to form:

By _____ **Dated: _____**
Craig J. Cornwell, City Attorney

ATTEST:

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICE AGREEMENT AND ISSUE A PURCHASE TO SARAKKI ASSOCIATES, INC., FOR ENGINEERING SERVICES ON THE TRAFFIC SIGNAL UPGRADE AND TRAFFIC MANAGEMENT AND OPERATIONS CENTER (TMOC) PROJECT**

Glen Kau	**7/9/2013 11:54:26 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/11/2013 6:39:43 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/11/2013 5:43:47 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**7/10/2013 7:32:31 PM**
CITY MANAGER	DATE

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

JULY 23, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: JON THOMPSON, FIRE CHIEF
MUNICIPAL LAW ENFORCEMENT SERVICES

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE CITY OF INGLEWOOD FOR DATA PROCESSING SERVICES RELATING TO THE PARKING CITATION PROGRAM

SUMMARY
This resolution authorizes the City Manager to issue a purchase order for Seventy-Five Thousand ($75,000.00) dollars to the City of Inglewood for data processing services relating to the Parking Citation Program.

BACKGROUND
Since 1989 the City of Compton has contracted with the City of Inglewood to provide assistance with computerized parking citation services which have greatly enhanced the City's revenue collection from parking citation fines.

In November 2012, the City of Compton entered into a five (05) year agreement with the City of Inglewood for parking citation processing. The term of the agreement is from November 2012 through October 2017, with an option for a two (02) year extension.

STATEMENT OF ISSUE
The City of Inglewood has an extensive procurement process, which has substantially upgraded it equipment and service delivery capabilities to include many levels of service to choose from; including, but not limited to provision of a web-enabled AutoPROCESS citation management system, imaging and data entry of manual citations, notice printing and mailing, call center customer services, payment processing using lockbox services, IVR payment, web payment, credit and debit card merchant accounts, administrative reviews, administrative hearings, dispute resolution, DMV holds, FTB (Franchise Tax Board) tax intercept liens and secondary collection services.

The contracted amount was seventy-five ($75,000.00) thousand annually, and will not increase in this proposed agreement. The agreement will remain in effect from November 01, 2012 through October 31, 2017 (5 year term) with an option for renewal for a two (02) year term.

FISCAL IMPACT

Funds for projected expenditures totaling Seventy-Five Thousand ($75,000.00) dollars has been allocated in the Municipal Law Enforcement Services Department budget for Fiscal Year 2013-2014 in Account No. 1001-670-000-4269.

RECOMMENDATION

Staff recommends approval of this Resolution to issue a purchase order to the City of Inglewood to process and collect fines for parking citation issued by the City of Compton.

JON THOMPSON, FIRE CHIEF
MUNICIPAL LAW ENFORCEMENT SERVICES DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE CITY OF INGLEWOOD FOR DATA PROCESSING SERVICES RELATING TO THE PARKING CITATION PROGRAM

WHEREAS, for many years the City has contracted with the City of Inglewood to provide assistance with computerized parking citation services which have enhanced the City's revenue collection from parking citation fines; and

WHEREAS, the City of Compton requires such services to process parking citations issued by the City of Compton in order to enhance revenue collection from fines; and

WHEREAS, the City wishes to continue participating in the program and to pay fees to the City of Inglewood for data processing, recordkeeping and notifications during Fiscal Year 2013-2014 projected at Seventy-Five Thousand ($75,000.00) dollars; and

WHEREAS, funds for this expenditure have been allocated in the Municipal Law Enforcement Services Department budget for fiscal year 2013-2014 in Account No. 1001-670-000-4269, and shall be allocated in future budgets.

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 and payments projected at Seventy-Five Thousand ($75,000.00) dollars to the City of Inglewood for participation in the Parking Citation Program during Fiscal Year 2013-2014 with funds allocated in the Municipal Law Enforcement Services Department budget in Account No. 1001-670-000-4269.

SECTION 2. That a copy of this Resolution shall be filed in the Offices of the City Manager, City Attorney, City Controller and Municipal Law Enforcement Services 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

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

#13.

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 to 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: **Law Enforcement**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE CITY OF INGLEWOOD FOR DATA PROCESSING SERVICES RELATING TO THE PARKING CITATION PROGRAM**

Carl Houston	**7/11/2013 4:28:15 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/16/2013 12:09:46 AM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/11/2013 5:20:04 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**7/11/2013 4:51:58 PM**
CITY MANAGER	DATE

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

JULY 23, 2013

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

FROM: **JON THOMPSON, FIRE CHIEF**
MUNICIPAL LAW ENFORCEMENT SERVICES

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE COMPTON SUPERIOR COURT RELATING TO COLLECTION OF FINES ON PARKING CITATIONS**

SUMMARY

This resolution authorizes payment to the Compton Court relating to the collection by the City of Compton of fines on parking citations.

BACKGROUND

The State of California has used parking citation fines collected by local governments and campuses since 1991 to balance its budget. Since 1993, the state has imposed a parking penalty surcharge of $5.00 on each parking citation issued for violations of parking provisions in our Compton Municipal Code that are collected by the City. In 2008, the Legislature passed Senate Bill ("SB") 1407, increasing the parking penalty surcharge to be collected by the City an additional $4.50 per parking citation collected. These surcharges are collected to fund the Courthouse Construction Fund and the Criminal Justice Facilities Construction Fund.

In 2010, SB 857 increased various court fees, including filing fees and penalty assessments which are aimed at backfilling budget shortfalls within the state court system. SB 857 mandated an additional $3.00 surcharge on all parking citation fines collected to be remitted to the Los Angeles Court Trial Trust Fund. This surcharge of $3.00 plus the pre-existing $9.50 ($5.00 + $4.50) surcharges, bring the total amount payable to the Compton Superior Court to $12.50 per citation.

STATEMENT OF THE ISSUE

The Compton Superior Court is the issuing authority of the City's parking citations and collects a portion of the monies generated through the City's Parking Citation Program (i.e. parking violations of the Compton Municipal Code) for remittance to the county and state. Additionally, the City of Compton is required to remits all fines and penalties collected for every violation of the California Vehicle Code that is issued under our jurisdiction.

FINANCIAL IMPACT

In order to pay the mandated fees and penalties to the Compton Court for remittance to the county and state, a projected expenditure of $450.000.00 has been allocated in the Municipal Law Enforcement Services Department budget for Fiscal Year 2013-14 in Account No. 1001-670-000-4269.

RECOMMENDATION

Staff recommends approval of this Resolution authorizing the City Manager to issue a purchase order to the Compton Superior Court in order to facilitate payment of the fines and surcharge penalties collected from parking citations.

JON THOMPSON, FIRE CHIEF
MUNICIPAL LAW ENFORCEMENT SERVICES DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#14.

#14.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE COMPTON SUPERIOR COURT RELATING TO COLLECTION OF FINES ON PARKING CITATIONS

WHEREAS, since 1993 the State of California has imposed a parking penalty surcharge of $5.00 on each parking citation issued for violations of parking provisions in our Compton Municipal Code that are collected by the City; and

WHEREAS, in 2008, the Legislature passed Senate Bill ("SB") 1407, increasing the parking penalty surcharge to be collected by the City an additional $4.50 per parking citation collected; and

WHEREAS, in 2010, the Legislature passed SB 857, which again increased the parking penalty surcharge to be collected by the City an additional $3.00 per parking citation collected; and

WHEREAS, the City collects, and is required to pass through the Compton Court for payment to the county and state, a total of $12.50 for each parking violation of the Compton Municipal Code collected, in addition to the total amount of fines the City collects from violators cited pursuant to the California Vehicle Code; and

WHEREAS, funds for this expenditure have been allocated in the Municipal Law Enforcement Services Department 2013-2014 Fiscal Year budget in Account No. 1001-670-000-4269.

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

SECTION 1. That the City Manager is authorized to issue a purchase order for the projected expenditure of Four Hundred and Fifty Thousand ($450.000.00) Dollars to pay the mandated fees and penalties to the Compton Court for remittance to the county and state.

SECTION 2. That funds in the amount of Four Hundred and Fifty Thousand ($450,000.00) Dollars during Fiscal Year 2013-2014 are allocated in Account No. 1001-670-000-4269.

SECTION 3. That a copy of this Resolution shall be filed in the Offices of the City Manager, City Attorney, City Controller and Municipal Law Enforcement Services 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

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 to 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: **Law Enforcement**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE COMPTON SUPERIOR COURT RELATING TO COLLECTION OF FINES ON PARKING CITATIONS**

Carl Houston — DEPARTMENT MANAGER'S SIGNATURE
7/11/2013 4:28:25 PM — DATE

REVIEW / APPROVAL

Ruth Rugley — CITY ATTORNEY
7/16/2013 12:10:54 AM — DATE

Stephen Ajobiewe — CITY CONTROLLER
7/11/2013 5:50:19 PM — DATE

G. Harold Duffey — CITY MANAGER
7/11/2013 4:51:07 PM — DATE

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

JULY 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **JON THOMPSON, FIRE CHIEF**
MUNICIPAL LAW ENFORCEMENT SERVICES.

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO PAY ALL INVOICES BILLED FOR ANIMAL CARE AND CONTROL SERVICES FOR FISCAL YEAR 2013-2014**

SUMMARY

A resolution authorizing the City Manager to issue a purchase order to the Los Angeles County Department of Animal Care and Control to pay invoices billed for animal care and control services for Fiscal Year 2013-2014.

BACKGROUND

Over the last several years, the City has depended on the County of Los Angeles to provide for its animal control services. This is because the City does not have the facilities, equipment, shelters, trained caretakers, veterinary personnel, etc., to handle such services.

Typical services include, but are not limited to dead animal pick-up, capture, impoundment, care of stray animals, licensing and medical services. The City is billed monthly for housing services according to costs the County incurs, with the City receiving offsetting credits for licensing and impounding.

In July 2010 the City of Compton received the Los Angeles County Board of Supervisor revised standard agreement for services provided by the Department of Animal Care and Control on behalf of City of Compton. The agreement ensures an efficient annual service level determination process for the City's jurisdiction. The Agreement is for a four-year period with an ending date of June 30, 2014.

There is a need for the City to approve a purchase order to pay Los Angeles County for various animal care and control services provided and it is in the best interest of the City and more effective to contract out to Los Angeles County for such needed services.

STATEMENT OF THE ISSUE

During Fiscal Year 2012-2013 the Los Angeles County Animal Care and Control provided kennel services for more than Twelve (12,000) Thousand dogs, cats and other animals, and disposed of more than Six (600) Hundred animals. The Animal Care and Control Department also collect license fees and penalties for more than Two (2,000) Thousand pets.

Because the City is not equipped nor has the personnel or facilities to provide these much needed services to protect the health and well being of the City and its citizens, it will be beneficial for the City to continue services with the County to provide the services.

FISCAL IMPACT

Funds have been appropriated in the Fiscal Year 2013-2014 Annual Budget as follows:

Account No.	Description	Amount
1001-670-000-4269	Other Contract Services	$400,000

Payments projected at an amount of Four Hundred Thousand ($400,000.00) Dollars, for services rendered by the County in Fiscal Year 2013-2014 have been allocated in the Municipal Law Services Department budget in Account No. 1001-670-000-4269.

ALTERNATIVE

There is no alternative. The City must have some type of animal control services to protect the health and well being of the City and its citizens.

RECOMMENDATION

Staff recommends the attached resolution be adopted.

JON THOMPSON, FIRE CHIEF
MUNICIPAL LAW ENFORCEMENT SERVICES DEPARTMENT

APPROVED AND FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO PAY ALL INVOICES BILLED FOR ANIMAL CARE AND CONTROL SERVICES FOR FISCAL YEAR 2013-2014

WHEREAS, over the years, the City, through the Department of Public Works, now through the Municipal Law Enforcement Services Department, has contracted for its animal control services annually with the Los Angeles County Department of Care and Control; and

WHEREAS, said services are an on-going necessity to protect the health and well being of the City and its Citizens; and

WHEREAS, the City is not equipped nor has the available personnel, facilities nor equipment, etc, to handle the required services, which include, but are not limited to, dead animal pickup, roundup, capture, impoundment, handling and capture of stray animals, licensing, spaying, neutering, etc.; and

WHEREAS, the County will be submitting invoiced for services rendered from July 2013 to June 2014 in the amount of Four Hundred Thousand ($400,000.00) Dollars; and

WHEREAS, funds have been allocated in the Municipal Law Enforcement Department budget for fiscal year's 2013– 2014 in Account No. 1001-670-000-4269.

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

SECTION 1. That the City Council authorizes the City Manager to issue a purchase order to the Los Angeles County Department of Animal Care and Control for an amount of Four Hundred Thousand ($400,000.00) Dollars for animal control services rendered during Fiscal Year 2013-2014.

SECTION 2. That is in the best interest of the City to have the County provide and services in order to protect the health and welfare of the community

SECTION 3. That funds are available in the Fiscal Year 2013-2014 budget and shall come from the following amount:

Account No.	Description	Amount
1001-670-000-4269	Other Contract Services	$400,000.00

SECTION 4. That a certificated copy of this resolution shall be filed in the Offices of the City Manager, City Controller, City Attorney and the Municipal Law Enforcement Services Department.

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

#15.

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 th 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 adapted 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: **Law Enforcement**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO PAY ALL INVOICES BILLED FOR ANIMAL CARE AND CONTROL SERVICES FOR FISCAL YEAR 2013-2014**

Carl Houston — **7/11/2013 4:28:34 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/16/2013 12:08:55 AM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/11/2013 5:51:38 PM**
CITY CONTROLLER — DATE

G. Harold Duffey — **7/11/2013 4:51:41 PM**
CITY MANAGER — DATE

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

July 23, 2013

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ALITA L. GODWIN, CMC**
CITY CLERK

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2013-2014**

SUMMARY

The City Clerk requests that the City Council adopt a Resolution authorizing the City Manager to enter into a contract and issue a purchase order in the amount of $35,000.00 to Melvinna Sharp for payment of services for transcription and preparation of meeting minutes of the City's legislative bodies and specialized electronic services for the Fiscal Year 2013-2014.

BACKGROUND

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

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

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

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

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

STATEMENT OF THE ISSUE

The existing purchase order has been depleted and the contract has expired. Thus, it is requested that the City Manager be authorized to enter into a contract and issue a purchase order in the amount of $35,000.00 to pay for services rendered through June 30, 2014.

FISCAL IMPACT

The funding is currently budgeted in the City Clerk's Fiscal Year 2013-2014 budget in Account number 1001-47-000-4262.

RECOMMENDATION

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

ALITA GODWIN, CMC
CITY CLERK

RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2013-2014

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

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

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

WHEREAS, staff is recommending that the City Manager be authorized to enter into a contract and issue a purchase order in the amount of $35,000.00.

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

Section 1. That the City Manager is authorized to enter into a contract and issue a purchase order in the amount of $35,000.00 to Melvinna Sharp for the preparation of transcription services for the City of Compton's legislative bodies as well as any special meetings called.

Section 2. That the funds are available in the City Clerk's Fiscal Year 2013-2014 budget in account number 1001-470-000-4262.

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

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 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–
ABSENT: COUNCIL MEMBERS–
ABSTAIN: COUNCIL MEMBERS–

_____
CITY CLERK OF THE CITY OF COMPTON

SERVICES AGREEMENT BETWEEN
THE CITY OF COMPTON
AND
MELVINNA SHARP

This **AGREEMENT** is entered and made by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and the **MELVINNA SHARP** (hereinafter referred to as **"CONTRACTOR"**) located at 902 North Poinsettia Avenue, Compton, California 90220.

RECITALS:

WHEREAS, the **CITY** requires the services of a qualified and experienced professional to assist the City Clerk's Office by providing transcription services for the meeting minutes for the five (5) legislative bodies of the City of Compton; i.e. the Compton Housing Development Commission, the Compton Public Finance Authority, the Urban Community Development Commission, the Compton Gaming Commission, Successor Agency to the Community Redevelopment Agency of the city of Compton and the Compton City Council; and

WHEREAS, CONTRACTOR represents that she is specifically trained, experienced, competent, and has the resources to provide such services which will be required by this Agreement; and

WHEREAS, by Resolution No._____, adopted on the _____ day of _____, 2013, the City Council authorized the City Manager to enter into a contract with the **CONTRACTOR** (Melvinna Sharp) to provide the needed services; and

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

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

AGREEMENT:

1. SCOPE OF SERVICES TO BE RENDERED BY CONTRACTOR

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

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

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

It is understood and agreed that **CONTRACTOR** 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 skills of **CONTRACTOR** to do and perform **CONTRACTOR'S** work in a skillful and professional manner.

CONTRACTOR'S services hereunder shall be performed in a good, workman-like and professional manner. **CONTRACTOR** shall be responsible for correcting and completing all errors and omissions related to the services provided by the **CONTRACTOR** for this Agreement at no additional cost to the **CITY**.

CONTRACTOR agrees to perform all the said services and furnish all the necessary materials at her own cost and expense, except for those agreed to be borne by the **CITY**, 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.**

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

2. DURATION OF CONTRACT

The term of this Agreement shall be from July 1, 2013 through 30, 2014 or when the maximum authorized compensation of $35,000.00 is exhausted, whichever comes first, unless this Agreement is terminated as provided herein.

3. COMPENSATION

The method of payment for this Contract will be based on a fee-for-services basis, billable at an agreed rate of **Eight Hundred Dollars ($800.00)** per date for transcription and preparation of meeting minutes for each and every City of Compton legislative body (i.e. the Compton Housing Development Commission, the Compton Public Finance Authority, the Urban Community Development Commission, the Compton Gaming Commission, the Successor Agency and the Compton City Council) meeting on that date. This compensation rate includes all services **CONTRACTOR** is obligated to provide and perform as discussed in Section 1, above. The compensation paid the **CONTRACTOR** includes compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the **CONTRACTOR**, unless there is a change in the scope of the services or the scope of the project. In the instance of a change in the scope of services or scope of the project, adjustment to the compensation may be negotiated between the **CONTRACTOR** and the **CITY**. Adjustment in the compensation will not be effective until authorized and approved by contract amendment**.**

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

CONTRACTOR shall be reimbursed within thirty (30) days, or as promptly as fiscal procedures may permit, upon receipt by the **CITY** of itemized invoices for services completed. Invoices shall be submitted no later than 45 calendar days after the performance of work for which the **CONTRACTOR** is billing. Invoices shall detail the work performed on each task as applicable. Invoices shall be mailed or delivered to the City Clerk at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

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

The parties understand and agree that the maximum compensation authorized for the term of this Agreement is limited to a not-to-exceed sum of **Thirty Five Thousand Dollars ($35,000.00).**

In the event of termination, the **CONTRACTOR** shall be entitled to compensation for the non-disputed reasonable value of services performed to the effective date of termination; provided, however, that the **CITY** may condition payment of such compensation upon the **CONTRACTOR'S** delivery to the **CITY** of any and all **CITY** property, documents, reports, records, materials and work product associated with the performance of this Agreement.

4. INDEPENDENT CONTRACTOR STATUS

CONTRACTOR, its officers, employees, subcontractors, agents and volunteers (collectively hereinafter the "Contractor") is a wholly independent **CONTRACTOR** and not an officer, employee or agent of the **CITY**. Neither the **CITY** nor any of its officers, employees, agents or volunteers shall have any control over the conduct of the **CONTRACTOR**, except as expressly set forth in this Agreement. **CONTRACTOR** expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that **CONTRACTOR** shall not at any time or in any manner, represent that **CONTRACTOR** is in any manner officers, employees, agents or volunteers of the **CITY**. **CONTRACTOR** shall obtain no rights to retirement, health care or any other benefit that accrue to **CITY** officials, officers, or employees. **CONTRACTOR** expressly waives any claim to such rights.

5. SUCCESSORS, ASSIGNMENT AND DELEGATION

The **CITY** and the **CONTRACTOR** each binds themselves, their partners, successors, assigns and legal representatives to the other party hereto and to partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in this Agreement.

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

6. 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 **CONTRACTOR** 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 **CONTRACTOR** in the documents are hereby assigned to the **CITY. CONTRACTOR** 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.

7. NONDISCRIMINATORY EMPLOYMENT PRACTICES

During the performance of this Agreement, the **CONTRACTOR** agrees not to discriminate against any employee or applicant for employment because of race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. **CONTRACTOR** will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The **CONTRACTOR** agrees to post in conspicuous places, available to employees, applicants and sub-CONTRACTORs for employment, notices setting forth the provisions of this non-discrimination clause.

In the event of the **CONTRACTOR'S** non-compliance with the non-discrimination clause of this Agreement, this Agreement may be immediately canceled, terminated or suspended in whole or in part.

8. INDEMNIFICATION

CONTRACTOR shall indemnify and save harmless the **CITY**, its officials, officers, employees, agents and volunteers (collectively hereinafter the "City"), against any and all damages to property or injuries to or death of any person or persons, including property and employees or agents of the **CITY** and shall defend, indemnify and save the **CITY** from any and all liability and expense including reasonable defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever in any way resulting from or arising out of the negligent or intentional acts or omissions of **CONTRACTOR**, its officers, employees, sub-contractors or

agents in the performance of the duties undertaken by **CONTRACTOR** pursuant to this Agreement.

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

9. INSURANCE

Without limiting the **CONTRACTOR's** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain, at its own expense, and require all of its subcontractors to maintain, during the term of this Agreement a program(s) of insurance in the kinds and amounts that, in its own judgment, may be necessary for the proper protection of the **CONTRACTOR** and **CONTRACTOR's** work.

Such insurance, which shall be provided by insurer(s) satisfactory to the **CITY'S** Risk Manager. Such evidence shall contain express conditions that the **CITY** is to be given written notice at least thirty (30) days in advance of any termination or implementation of a reduction of limits or material change of insurance coverage as specified herein, including at least ten (10) day notice of any non-payment of premium(s). Failure on the part of the **CONTRACTOR** to procure or maintain insurance shall constitute a material breach upon which the **CITY** may immediately terminate this Agreement.

All insurance required hereunder shall be primary with respect to any insurance maintained by the **CITY** and shall not call on the **CITY'S** program for contributions.

10. PERMITS AND LICENSES

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

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

11. WARRANTIES

CONTRACTOR warrants that it has not employed or retained any company or persons, other than a bona fide employee working solely for the **CONTRACTOR**, 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 **CONTRACTOR**, any fee, commission, percentage, brokerage fee, gift or contingent fee. For breach or violation of this warranty, the **CITY** has the right to annul this Agreement without liability; pay only for the value of the work actually performed, or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

CONTRACTOR represents and warrants (i) that **CONTRACTOR** has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with **CONTRACTOR'S** undertaking this relationship with **CITY**, (ii) that the performance of the services called for by this Agreement do not and will not violate any applicable law, rule or regulation or any proprietary or other right of any third party, (iii) that **CONTRACTOR** will not use in the performance of her responsibilities under this Agreement any confidential information or trade secrets of any other

person or entity and (iv) that **CONTRACTOR** has not entered into or will enter into any agreement (whether oral or written) in conflict with this Agreement.

12. FEDERAL AND STATE WITHHOLDING TAXES

CONTRACTOR shall be responsible for paying when due all federal and state income withholding taxes for all earning under this Agreement. **CONTRACTOR** agrees to indemnify **CITY** for any claims, costs, losses, fees, penalties, interest, or damages suffered by **CITY** resulting from **CONTRACTOR'S** failure to comply with this provision.

13. COMPLIANCE WITH LAW

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

14. CONFIDENTIAL INFORMATION AND ASSIGNMENTS

The **CONTRACTOR** and **CITY** shall retain as confidential all information and data furnished by the other party that is known to be confidential or proprietary, or which is clearly identified as such, in connection with this Agreement and such information will not be disclosed or used except to the extent that such disclosure or use is reasonable necessary to the performance of this Agreement, or is required by statute, regulation, ordinance, judicial order or other governmental request. The obligation of confidentiality imposed upon either party shall subject to standard exceptions and shall survive the completion, expiration or termination of this Agreement.

15. 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.

16. CONTRACTOR's BOOKS AND RECORDS

CONTRACTOR shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to work, services, expenditures and disbursements charges to the **CITY** for the period and to the extent required by laws relating to audits of public agencies and their expenditures.

CONTRACTOR shall maintain all documents and records which demonstrate performance under this Agreement for the period and to the extent required by laws relating to audits of public agencies and their expenditures.

Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the **CITY** or a designated representative. Copies of such documents shall be provided to the **CITY** for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at **CONTRACTOR'S** address indicated for receipt of notices in this Agreement.

17. TERMINATION

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

a. Either party may terminate this Agreement at any time by giving at least fifteen (15) calendar days written notice of termination to the other party. If the **CITY** gives such notice of termination, **CONTRACTOR** shall cease immediately all work in progress unless otherwise indicated by the **CITY**.

b. If **CONTRACTOR** fails to perform or breaches any material obligation under this Agreement and such default continues for a period of five (5) calendar days after written notice thereof, then, in addition to any other remedies, the **CITY** may terminate this Agreement immediately upon written notice.

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

18. AMENDMENTS

This Agreement may be modified or amended only by written document executed by both **CONTRACTOR** and **CITY'S** City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

19. GOVERNING LAW AND SEVERABILITY

This Agreement shall be governed by and construed under the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

20. EXTENT OF AGREEMENT

This Agreement and any attachments hereto, constitute the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all and any part of the subject matter hereof. Neither party has been induced to make or enter into this Agreement by reason of promise, agreement, representation, statement or warranty other than as herein contained. Nothing in this Agreement shall create any contractual relations between any subcontractor and the **CITY**.

21. 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 third business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, and addressed as hereinafter provided, or (c) one business day after send by facsimile transmission.

TO CONTRACTOR:

MELVINNA SHARP
902 North Poinsettia Avenue
Compton, California 90220
Attn: Melvinna Sharp
(562) 441-6645

TO CITY:

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

In the event of any change of address, the moving party is obligated to notify the other party of the change of address in writing. Each party may amend, supplement and update the notice list to add, delete or replace any listed individuals; however, the amendment must be in writing.

Note: A copy of any notice provided to the Clerk shall also be provided to: City Manager 205 South Willowbrook Avenue, Compton, California 90220.

22. MISCELLANEOUS

CONTRACTOR and **CITY** acknowledge that the terms of this Agreement have been mutually negotiated and that such documents shall not be interpreted against either **CITY** or **CONTRACTOR** on the basis that either party was responsible for or in control of the drafting of such documents.

All provisions of this Agreement which by their nature continue beyond the termination or completion of performance under this Agreement, including, without limitation, those obligations pertaining indemnification, insurance, confidentiality and ownership of documents, shall survive and continue in force after either termination or completion of performance by **CONTRACTOR**.

Should either party hereto, or any representative, successor or assign of either party hereto, resort to litigation to enforce the provisions of this Agreement, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to recover its or their reasonable attorney's fees and costs in such litigation from the party or parties against whom enforcement is sought.

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

CONTRACTOR

By _____ **Dated: _____**
Melvinna Sharp

CITY OF COMPTON
Recommended for approval:

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

Approved by:

Dated:_____ **By _____**
G. Harold Duffey, City Manager

Approved as to form:

By _____ **Dated: _____**
Craig J. Cornwell, City Attorney

ATTEST:

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Clerk**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO MELVINNA SHARP FOR TRANSCRIPTION AND PREPARATION OF MEETING MINUTES OF THE CITY'S LEGISLATIVE BODIES AND SPECIALIZED ELECTRONIC SERVICES FOR FISCAL YEAR 2013-2014**

Alita Godwin	**7/17/2013 2:20:08 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/18/2013 11:19:42 AM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/18/2013 10:43:39 AM**
CITY CONTROLLER	DATE
G. Harold Duffey	**7/17/2013 8:25:23 PM**
CITY MANAGER	DATE

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

July 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2013-2014**

SUMMARY

The City Council will consider a resolution authorizing the City Manager to renew the professional services agreement with Strategic Counsel for state legislative and advocacy services during Fiscal Year 2013-2014.

BACKGROUND

Approximately 5,000 bills move through the California Legislature every session. Strategic Counsel has extensive experience representing public and private organizations in a wide range of issues including regulatory and legislative matters. Furthermore, Strategic Counsel has provided legislative and advocacy services to the City of Compton and possesses the experience to represent the City at the State level. Strategic Counsel has administered state legislative and advocacy services to the City since July 2007.

By way of example of just a few of the matters and issues that Strategic Counsel has diligently advocated on behalf of the City during Fiscal Year 2012-2013:

- Assisted the City in obtaining approval from the California Department of Finance for the Gateway Towne Center Phase II project valued at $2.4M.

- Assisted in the City in obtaining approval from the Governor's office supporting the City's effort to attract a Natural Gas Vehicle conversation plant to Compton.

- Worked successfully with the City of Compton's two legislative representatives, Assembly Member Isadore Hall, III and Roderick D. Wright, on Assembly Bill 2037 (Davis), that would have established a New Markets Tax Credit to encourage community development in low-income communities.

STATEMENT OF THE ISSUE

On July 16, 2013, Strategic Counsel met with the Mayor and City Council to review 2012-13 advocacy results and develop a comprehensive legislative platform (Attachment A). In order for the City to accomplish its mission, the unique expertise of Strategic Counsel is vital to ensuring that the City's legislative platform and local interests are continually communicated to local legislative and congressional delegations. Given this importance, it is in the best interest of the City to continue to employ the expert services of Strategic Counsel to provide state legislative and advocacy services for Fiscal Year 2013-2014.

FISCAL IMPACT

The total cost for a professional services contract with Strategic Counsel will be $9,000 per month and shall not exceed $108,000 for Fiscal Year 2012-2013, commencing July 1, 2013 and terminating June 30, 2014. This annual rate has been consistent since 2007, when the City began contracting with Strategic Counsel.

Funds have been allocated in the Fiscal Year 2013-2014 budget in account 1001-510-000-4218.

RECOMMENDATION

Staff recommends that the Mayor and Council adopt the attached resolution.

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2013-2014

WHEREAS, the City Council has determined that it is necessary to retain legislative and advocacy services designed to enhance the City of Compton's ability to achieve its objectives and to help the City shape policies at the state level; and

WHEREAS, Strategic Counsel, a fully qualified legislative firm, currently provides legislative and advocacy services and evaluates policy issues for the City of Compton; and

WHEREAS, Strategic Counsel is a firm that understands the City's needs, goals, and shares its passion for success; and

WHEREAS, Strategic Counsel serves as the City's principal advisor on public policy, legislative and economic development policies for the City and coordinates with the City Administration and City Council Members, and

WHEREAS, in that connection Strategic Counsel assisted the City in obtaining approval from the California Department of Finance relating to the construction of the Gateway Towne Center Phase II shopping development valued at $2.4 million; and

WHEREAS, Strategic Counsel assisted the City in obtaining approval from the Governor's Office supporting the City's effort to attract a Natural Gas Vehicle conversion plant to Compton and the assurance that vehicles converted at the plant would be compliant with state fuel and emission regulations; and

WHEREAS, Strategic Counsel has also led the effort to preserve Enterprise Zones (EZ) on behalf of the City by working with a large coalition to engage key stakeholders and has recommended that the City support Assembly Bill 28 (V. Manuel Perez) that would preserve Enterprise Zones while recommending that the City oppose Senate Bill 434 (Hill) that would dramatically alter the structure and incentives of the Enterprise Zone program; and

WHEREAS, in addition to the aforementioned, Strategic Counsel has worked successfully with the City of Compton's two legislative representatives, Assembly Member Isadore Hall, III and Roderick D. Wright, on Assembly Bill 2037 (Davis), that would have established a New Markets Tax Credit to encourage community development in low-income communities, and Assembly Bill 1585 (John A. Perez), that would have made changes in order to simplify the process of dissolving Redevelopment Agencies by granting successor agencies more responsibility, more authority, and more fiscal autonomy that supported the City's interest in retaining the maximum amount of independence and authority; and

WHEREAS, the dynamic of the State Legislature has changed with the addition of new Members to the Legislature, as a result of the 2012 General Election, without an understanding of the City's interests and needs, and Strategic Counsel provides the City a unique advantage in familiarizing these new Members with the City's unique needs and interests; and

WHEREAS, Strategic Counsel has also represented the City's interests on issues including redevelopment, land use, local finance, property taxes, and local powers and as such requests to continue as the City of Compton's state legislative representative; and

WHEREAS, funds for the renewal of said agreement are available in the Fiscal Year 2012-2013 budget.

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 extend a professional services contract with Strategic Counsel PLC for legislative and advocacy services during Fiscal Year 2013-2014 for an amount not to exceed $108,000 at a rate of $9,000 per month, commencing July 1, 2013 and terminating June 30, 2014.

SECTION 2. That funds are allocated in account 1001-510-000-4218.

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

SECTION 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

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

PROPOSAL TO

THE CITY OF COMPTON

SUBMITTED BY

STRATEGIC COUNSEL PLC
448 SOUTH HILL STREET
LOS ANGELES, CALIFORNIA 90013
TELEPHONE 213.895.7010
FACSIMILE 213.895.7020

www.strategicounsel.com

PROPOSAL FOR LEGISLATIVE ADVOCACY SERVICES FOR 2013/14

Public policy in California takes shape within an intricate and fluid web of competing interests, a complex bureaucratic structure, and a Legislature with a fast-paced operating culture. Strategic Counsel has an intimate knowledge of the public policy framework and how the process impacts Compton's interests.

Approximately 5,000 bills move through the California Legislature every session. This makes it difficult for entities that have interests before the Legislature to get the attention of legislators. Also, because legislators are term limited, they are under great pressure to get legislation passed quickly in order to have a track record of success on which to base a run for higher office. This fast pace requires the City to be prepared to move quickly on issues that arise in the legislative process. What may seem like relatively minor provisions in legislation debated by the 120 state legislators and decided upon by the Governor in Sacramento, can have far reaching impacts on City operations and services.

Obviously of importance to the City is careful review of, and advocacy surrounding, the State's budget allocations to municipalities. Strategic Counsel would continue to seek opportunities for state funding through the annual state budget of either pilot projects or ongoing state programs that would benefit the City. Strategic Counsel would also continue to be the City's eyes and ears in Sacramento, seeking opportunities to support proposals that help Compton achieve its objectives or to oppose those that stand in the way.

Without the kind of experienced, well-connected and respected representation that a firm like Strategic Counsel can bring, Compton faces the prospect of missed opportunities that could otherwise have helped achieve the City's overall goals and specific objectives.

THE FIRM

Strategic Counsel PLC is a rare, interdisciplinary firm that uniquely blends legal and lobbying expertise with strong public policy outreach and strategic communications capabilities. To be successful in today's environment, clients need advisors who understand their goals and share their passion for success. In addition to excelling in the court room and board room, Strategic Counsel has built its position as a leader in the law and public policy arena by having a regular presence before the many local governments and state agencies spread throughout California and by working closely with our clients to develop and implement targeted plans aimed at addressing their legal needs, goals and objectives.

Strategic Counsel's interdisciplinary approach in the areas of law, advocacy and communications is a result of the firms that formed it. McClain-Hill Associates, the state's leading woman-owned law firm known for its strength in strategic policy development with an emphasis on municipal, land use and environmental, corporate and administrative law, and The Advocacy Group, a prominent Sacramento-based, full-service governmental advocacy and publications company, joined forces in 2005. In doing so, they brought together a potent blend of business, regulatory

and legislative experience, political savvy and highly effective relationships within government and the media.

Our clients have included municipal entities, Fortune 500 companies, emerging companies, and public and private real estate developers. Their needs are unique and complex, so our approach is comprehensive. Incorporating advocacy and communications expertise with our principal legal practice areas, Strategic Counsel is building alliances, building support and success for our clients.

With offices in Los Angeles and Sacramento, Strategic Counsel has retained the lean, nimble structure of a boutique firm. The firm partners with its clients and leverages the resources of its professionals to produce outstanding results. Additionally, the firm uses available technology to stay abreast of recent legal, policy, and political developments in the specific areas of representation relevant to its clients in order to render timely and useful advice and services.

LEGISLATIVE ADVOCACY SERVICES

Strategic Counsel's role as Compton's legislative representatives will be to keep track of the fast-paced state policy discussions and actions and to keep the City informed as to how they impact the City along with an assessment of how the City can impact policy in return. Beyond simply informing Compton about what is happening in Sacramento, we would guide the City as to its best positions on policies that impact it and communicate its views and wishes to law makers. The firm is committed to the proposition that lobbying is a two-way street. Besides advocating the City's interests, we would endeavor to familiarize it with the perspectives of the public policy makers shaping their issues; an appreciation of which is a key component for achieving success. Strategic Counsel will continue to provide legislative advocacy and state regulatory compliance and tactical approach services to the City of Compton for 2013-2014. As a full-service lobbying, state regulatory and legislative advocacy firm, Strategic Counsel's services on behalf of the City includes:

- State Administration Regulatory compliance and advice
- Legislative Bill Identification
- Bill Drafting
- Bill Analysis and Background Research
- Consulting on Position Determination
- Bill Tracking
- Evaluation/Analysis of Amendments
- Amendment Drafting
- Lobbying Individual Legislators and Staff through One-On-One Meetings
- Testifying Before Legislative Committees
- Organizing Lobbying Efforts of City and Allied Organizations
- Preparing Background Materials to Support a Client's Position
- Working with/Lobbying State Agency Officials and Staff
- Lobbying the Governor and his Staff

LEGISLATIVE RELATIONSHIPS WITH MEMBERS OF RELEVANT COMMITTEES

Cities must navigate a range of legislative and regulatory issues that impact their ability to serve their residents, local businesses, and other community stakeholders. Beyond the local government and fiscal committees, the committees that oversee public safety and transportation issues, along with a host of other matters including gaming, energy and commerce, and the environment, must also be monitored to effectively promote and protect the City's interests. Strategic Counsel's lobbyists, strategists, and other professionals have significant relationships with the Chairs and members of each of these committees and can successfully engage these members to advance the City of Compton's priorities.

In addition to our relationships with the members themselves, the firm has strong relationships with the key committee and legislative staff members that influence local government and fiscal policy in Sacramento. The power and influence of committee consultants in shaping policy outcomes cannot be overestimated. Mel Assagai, who at one time was the most senior staff member in the State Senate, continues to mentor and relate to individual staffers, many of whom he played a role in hiring at the beginning of their careers. Moreover, as a part of its community service and outreach mission, members of the firm support legislative staff-sponsored programs offering scholarships to young people of color throughout the state making it possible for them to participate in leadership development training in Sacramento. In short, our firm has placed a premium on cultivating and sustaining legislative staff relationships based on trust and camaraderie as part and parcel of our effort to enhance our ability to influence public policy in the state capital.

LOBBYING STYLE

As new legislators arrive in Sacramento, often with little experience in legislative policy, it is critical to build and leverage relationships to shape policies and opinions that affect your priorities. ***Strategic Counsel takes a hands-on approach to lobbying that is characterized by creating and maintaining strong relationships with legislators and key staff.*** We have, collectively, over sixty years of legislative experience that gives us the benefit of long relationships with influential legislators and public officials as well as strong relationships with legislative leaders, most of whom we knew before they began their legislative careers.

We employ a scientific, fact-based approach to all of our work but also recognize the importance of being positive, engaging, and respectful toward everyone in the process. Whether they are veterans or newcomers, we leave them with a sense of our high regard for their views and their work. ***In addition, we have a special advantage with the longer serving and most influential senior staff, since our Director of Government Affairs was Chief of Staff to the state's most powerful senator – Senate President pro Tempore David Roberti – when many of them were hired or promoted to their current posts.*** These lengthy, mutually respectful relationships enhance our ability to assess and influence the legislative landscape facing our clients' proposals.

With respect to our clients' sponsored bills, we develop a plan for taking the multiple, repetitive steps necessary to succeed, describe those steps to our clients, and engage vigorously in pursuit

of our goals. Specifically, we identify the legislative matter on which we need to work and then begin determining its viability by consulting with legislative staff and policy committee consultants with experience in the policy area of our legislation.

We then consider whether the measure is best advanced by a member of the District's legislative delegation or a more expert chair or member of the relevant policy committee. We would consult with the District's representatives on legislation impacting the district, but we are especially careful to ensure that the local district representatives are "signed off" on legislation whose impact is limited to the District. Once we have consulted with them, we might seek their assistance in lining up the best author of a bill (if not a member of the delegation). ***Ensuring that the various legislative stakeholders – the local legislative delegation, policy committee staff who will write the analysis, and staff of the Legislature's leaders – are familiar with our goals and objectives provides us with a foundation for our effort.***

Moreover, when it seems wise to do so, we will meet with the Governor's Staff to get their sense of his potential reaction to legislation. Advice from the Governor's Office can help shape our measure and gives us a sense of what to expect at the end of the process.

In securing an author among the legislators we determine who would best carry our legislation, which is a critical step and one we take very carefully. We weigh his or her skill, reputation, and creativity to help us move the measure through both houses.

Having secured an author, we meet with all the members or their staff of the policy committees hearing the bill. These meetings help us explain our purpose and also persuade their staff of our measure's worth, and we treat these meetings as both consultations and advocacy. We are careful to answer all of their questions if we can do so immediately or later if further research is required. Regardless of whether we've met with the legislators themselves or their staff, we leave them with the assurance that we have a high regard for their views, advice, and reactions to our bill. We also work very closely with the author to produce a presentation before policy and fiscal committees that work to their strengths, and we recommend witnesses who are grounded in the nature of our legislation and whose temperament will work well in a legislative committee setting.

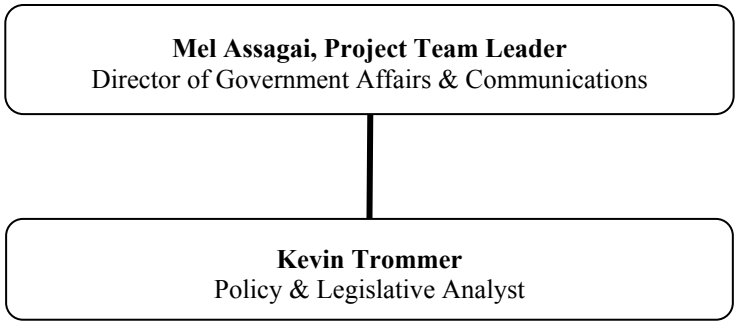
We also produce very informative literature to share with and leave behind in the offices we visit. Often it is this literature on which committee consultants rely in analyzing our measures. Perhaps the most important material conveying our clients' positions are contained in the author's "support" letters to the committees hearing our bills. These letters detail in a readable, but substantive manner why our legislation is important and merits support. Besides these means of communicating our clients' positions, we issue Assembly and Senate "Floor Alerts" that are delivered to every member of the house in question. Finally, in this part of the process, we prepare "Request for Signature" letters to the Governor urging him to sign our measures into law. In addition, we prepare similar letters for others wishing to support our position. We seek support from other stakeholders as well as individuals and groups interested in the legislation in question. Building a consensus around the need and reasonableness of our legislation is an important part of our advocacy.

Finally, we gauge when it is best advised to have our clients make office visits with us to meet legislators and staff to provide first-hand comments and testimony. Clients are often best equipped to convey the importance of the measures lobbied on their behalf. And, while we provide thorough preparatory discussions with them before meetings and committee testimony, we believe their personal presentations can be strongly supportive of all the other work engaged in by Strategic Counsel.

Throughout the process, we keep clients informed of our progress and the next steps. We also offer advice on amendments proposed by others and guidance as to how best to respond. Since all measures will be opined upon by a group of stakeholders in the policy area of our legislation, we reach out to them early to gauge their views, assess their willingness to support or their opposition, and help them understand our goals. If we know early on that a particular group will oppose our measure, we acquaint all the stakeholders of that fact and continuously seek to remove that opposition as our measure moves forward. We know that unaddressed opposition can be the basis of a Governor's Veto if it reaches his desk with the particular issue unresolved. We lobby with the understanding that the quality of information, the relationships we have with members and staff, and our reputation for excellence are all part of our successful advocacy effort and are reflected in our low-key but effective approach to lobbying.

In summary, we use all of our intellectual, experiential, and relationship resources, as well as the impact of our clients' presence in Sacramento to ensure that we impact the Legislature in the most dynamic manner for our clients.

INDIVIDUAL BIO'S OF CITY OF COMPTON LOBBYING TEAM



Mel Assagai, Director of Government Affairs & Communications

Considered one of Sacramento's most effective legislative advocates, Mel Assagai leads the firm's government affairs and communications practice. He leverages his unique ability to create and manage strategies that address constantly changing public policies and opinions to aid clients in business, industry and government. Mr. Assagai is recognized for his talent in legislative research and planning, bill tracking, public relations, coalition building and PAC management. For sixteen years, Mr. Assagai has successfully represented a wide range of public and private organizations, businesses, and individuals before the California State Legislature and

government agencies. He built his considerable expertise in government and politics while working as chief lobbyist and senior executive for governmental affairs for the State Bar of California and as chief of staff and press secretary to California Senate President pro Tempore David Roberti. In recognition of his unwavering commitment to civic and professional organizations, Mr. Assagai has received numerous awards. Sacramento Magazine selected Mr. Assagai as one of its "Best and Brightest" and both the California Assembly and the California State Senate recognized his achievements. Mr. Assagai currently serves on the Board of Directors for the Greater Sacramento Urban League and on the California State University President's Advisory Board. Mr. Assagai is an active member of the Sacramento Metropolitan Chamber of Commerce, where he sits on the Workforce Development Committee, as well as the Sacramento Black Chamber of Commerce.

Kevin Trommer, Policy & Legislative Analyst

The most recent addition to the Strategic Counsel Team, Kevin Trommer is responsible for tracking legislation, researching the impacts of legislation clients and assisting in representing the City's interests in Sacramento. His extensive academic background has provided him with the tools to critically weigh and assess diverse, competing proposals to arrive at the most effective policy solution. Mr. Trommer, through his studies, has intimate knowledge of the fields of economics, developmental strategies, state and local government structures, and public policy. In addition to his legislative duties, Mr. Trommer monitors, coordinates, and provides outreach through various social media platforms on behalf of the firm and its clients. Prior to his work with Strategic Counsel, Mr. Trommer was an advocacy intern with the Libertarian Party of California, is a Member of Pi Sigma Alpha Political Science Honor Society and has been involved with the YMCA's Youth Model Legislature & Court Program, Youth and Government. Mr. Trommer earned his bachelor's degree in Political Science with an emphasis in Comparative Politics from the University of California, Los Angeles (UCLA), graduating Cum Laude and with honors in 2011 with a minor in African Studies.

COMMUNICATION WITH CLIENTS

Navigating the policy and legislative environment requires both patience and quick response to urgent issues, and successful advocacy requires a partnership between the client and the advocacy firm. Working together, we can effectively communicate the City's story and positions to the Legislature and the Governor's Office and make sure that other legislative stakeholders appreciate Compton's role in shaping public policy. To ensure that our clients' priorities and influence is enhanced in this fast-paced environment, Strategic Counsel utilizes all forms of communications tools to inform, engage and gain feedback from clients. Our communication strategy is grounded in our strong belief that our ability to leverage relationships, policy, and influence is only gained through open communication with our clients. Which of the following tools we use depends upon whether a formal report or a quick telephone call or e-mail would better serve our purposes. The objective underlying whatever communication method used is our commitment to ensuring that the client is thoroughly informed, that our recommendations are clear and that client's questions are answered. To that end, we communicate with our clients utilizing the following platforms:

- Telephone communications
- E-mail correspondence
- Presentation to the Council
- Legislative reports on pending education issues, political landscape and education initiatives
- In-person meetings

Strategic Counsel can be relied upon to offer insightful political advice and assessments of how changes in the political environment impact the City's goals and objectives as well as the media strategies and communications tools needed to promote those efforts. The firm will also devise a solid strategic program for Compton, identify the major strengths and weaknesses, and formulate key messages to effectively guide the City through the political and public policy decision-making process.

We will continue to count on the City's commitment to working collaboratively towards defining and communicating important objectives and legislative priorities.

FEE

Legislative advocacy services are traditionally payable on a monthly basis. We propose that the previous terms and conditions be retained in our 2013/2014 contract, including compensation, in the amount of $9,000.00 per month.

CLIENT LIST

- Navistar, Inc.
- Chevron Corporation
- ECEworks! Career Development Policy Project (funded by First Five Los Angeles)
- Los Angeles County Education Foundation, Inc.
- City of Compton
- Compton Unified School District
- Electrification Leadership Council
- California Association of Urban League Executives
- Sacramento Black Chamber of Commerce

Attachment A

Compton City Council Legislative Agenda July 2013

Infrastructure:

- Seek California Department of Transportation support for:
  - Funds for Street Repair/Repaving in the City of Compton
  - Funds for Highway repairs and upkeep on highways in City of Compton
  - Funds for installation of street lights in City of Compton
  - Engage California Department of Transportation for improved beautification of on-ramps and off-ramps within City of Compton.
- Seek Federal declaration of the Alameda Corridor as Critical Infrastructure by the Office of Emergency Services.
- Seek State/Federal support for funding to remove the Rosecrans Bridge
- Seek MTA policies on Blue Line Safety/Grading Issues and Community Offset Costs.
- Seek State policy on charging tolls interstate commerce traveling through Compton.
  - Compensate population for noise, and wear & tear.
- Seek State support for mitigation of environmental impacts associated with high density cargo transportation.
- Seek State Watershed/Stormwater Retention and Cleanup Funds
- Seek funding for road repairs from Gateway Cities (part of $8 billion held in trust by Gateway Cities Association).

Utilities:

- Seek policies that lower water rates
  - Bond Rate Negotiations/I-Bank Refinancing
  - Rules on lowering bonds and structure of bond process

Public Safety:

- Seek State support for education, training, housing, and services for ex-offenders.
  - Determine how to retrain and reacclimate returning ex-offenders
  - Determine correlation with an increase with Shootings, Graffiti, Homicides, & Crime
- Seek accreditation and restoration of the Compton Fire Academy
  - Stress training of minority firefighters & engage firefighter unions.
- Seek State support in deploying California Highway Patrol Officers in Compton .

Economic Development:

- Pursue legislative & regulatory options for economic development and sustainable, "smart growth", communities including focus on brownfield cleanup, parks, environmental enhancement & remediation, and support for City contracts for State facilities.
- Seek State and private businesses support for financial access to capital by City of Compton (GO-Biz, BOA, Chase, Wells Fargo, etc.)
- Seek State support for a small business forum while engaging in outreach for business advocacy groups in Compton by Strategic Counsel.
- Request State action to cleanup Compton Corporation Yard (purchased by RDA from City, State should clean using RDA funds).
- Requesting State's rescission for Compton to repay $4.2 million for park.
- Engage Department of Finance for removal and redesign of an abandoned apartment complex on Alondra owned by the former Compton RDA (state should fix or level & redesign complex since they have the RDA funds).

Parks and Recreation:

- Focus on renovating/expanding parkland and green space
    - Alondra Regional Park – Money was reallocated at the last minute.
    - Gonzalez Stadium
    - Look at park space per resident
    - Frame as combating Childhood Obesity in Urban areas
- Seek designation of Jackie Robinson Field as a historic landmark as well as funds for its restoration.

Municipal Issues:

- Seek State policy for retaining City's 0.045% Parcel Tax that funds City Retirement plans.
- Seek State contracting for vacant City of Compton facilities and land.
- Engage California Energy Commission on the feasibility of using Proposition 39 funds to retrofit existing or construct new facilities for the City.
- Identify Grant Opportunities for the City

Health & Wellness:

- Seek State support for Homeless/Mental Health Care Costs.
    - Due to realignment many mentally ill individuals are being released and are living as homeless within the City limits.
- Seek State support for a vision and eyeglass clinic located in the City of Compton.

- Engage the City of Compton in Affordable Care Act signups by engaging non-profit groups already in process of signing individuals up and determining whether the City can directly promote Affordable Care Act insurance signups.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE PROFESSIONAL SERVICES CONTRACT WITH STRATEGIC COUNSEL PLC FOR STATE LEGISLATIVE AND ADVOCACY SERVICES FOR FISCAL YEAR 2013-2014**

Terrance C. Davis — **7/18/2013 5:36:55 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Craig Cornwell — **7/18/2013 6:30:21 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/18/2013 3:33:55 PM**
CITY CONTROLLER — DATE

G. Harold Duffey — **7/17/2013 8:28:24 PM**
CITY MANAGER — DATE

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

July 23, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY CONTROLLER

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2013-2014**

PURPOSE

This resolution is for the City Council to authorize the adoption of the Appropriation Limit pursuant to Article XIIIB of the California Constitution and establish the maximum Fiscal Year 2013-2014 Annual Appropriation Limit for the City of Compton.

BACKGROUND

In November 1979, California voters approved Proposition 4 (Prop 4) commonly known as the Gann Initiative. Prop 4 created Article XIIIB of the State of California Constitution which placed limits on the amount of Tax Revenue Proceeds appropriated each fiscal year. Restricted revenues noted in Article XIIIB are those referred to as "Proceeds of Taxes." The City may not appropriate money over and above the GANN Appropriation Limit. This is part of the means to enable local governments control expenditures.

The high inflation rates in the early 1980's caused the appropriation limit to increase faster than the growth in revenues. To alleviate the complaints regarding Prop 4 restrictions, voters approved Proposition 111 (Prop 111) in June 1990. The proposition provided new adjustment formulas which made the limit more responsive to local growth issues.

The annual growth factors used in calculating the City's Appropriation Limit are as follows:

a) Inflation factor :- the calculation includes the percentage (%) change in California Per Capita Income. This information was supplied by the State Department of Finance.

b) Population factor :- the calculation includes the percentage (%) change in population in the City of Compton. This information was also supplied by the State Department of Finance.

Staff has prepared the City of Compton's Appropriation Limit for Fiscal Year 2013-2014 utilizing the following:

a) California change in Per Capita Income **(CPI)** of **5.12%**
(Per Capital Income converted to ratio = **1.0512**)

b) Compton's change in population of **0.46%**
(population change converted to ratio = **1.0046**)

Utilizing the above factors, the City of Compton's Appropriation Limit for Fiscal Year 2013-2014 is as follows:

	Amount
Maximum Appropriation Limit for Fiscal Year 2013-2014	$89,040,713
Proceeds of Taxes (Less Retirement Taxes & Interest Allocation Taxes)	$51,526,673
Difference - City is under the Appropriation Limit	**$37,514,040**

As the above figures indicate, the City of Compton did not exceed its Appropriation Limit but was actually under the appropriation limit by $37,514,040 for Fiscal Year 2013-2014. This is in complance with Article XIIIB of the California Constitution and Proposition III.

STATEMENT OF THE ISSUE

The City's Gann Appropriation Limit for the fiscal year 2013-2014 has been calculated at $89,040,713 pursuant to Article XIIIB of the State Constitution. This amount may not be exceeded by the Proceeds of Taxes as prescribed by the law. The Proceeds of Taxes amounted to $51,526,673. Therefore, the City of Compton is under its Maximum Appropriation Limit by $37,514,040.

The attached resolution has been prepared by staff to conform with Article XIIIB of the California Constitution and Proposition 111 whereby the City establishes its Gann Appropriation Limit for Fiscal Year 2013-2014 at $89,040,713.

ALTERNATIVE

The City will not be in compliance with the Appropriation Limit law if the GANN Appropriation Limit is not computed and monitored to ensure that the City is within the required limit.

FINANCIAL IMPACT

There is no financial impact.

RECOMMENDATION

Staff respectfully recommends that the City Council adopt the attached resolution.

STEPHEN AJOBIEWE
CITY CONTROLLER

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR FISCAL YEAR 2013-2014

WHEREAS, on November 6, 1979, the voters of California added Article XIIIB to the State Constitution placing various limitations on the appropriations of the State and Local Governments; and

WHEREAS, Article XIIIB provides that the appropriation limits for the fiscal year 2013-2014 be calculated by adjusting the base year total appropriation of fiscal year 1978-79 for changes in the cost of living and population; and

WHEREAS, the information necessary for computing this limit is the Annual Budget for Fiscal Year 1978-79 and the amended Annual Report of Financial Transactions to the State Controller for Fiscal Year 1978-1979 which are on file in the Office of the City Clerk; and

WHEREAS, the City of Compton has complied with provisions of Article XIIIB regarding determination of the Appropriations Limit for Fiscal Year 2013-2014.

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

Section 1. The Appropriation Limit for Fiscal Year 2013-2014 of the City of Compton shall be Eighty Nine Million, Forty Thousand, Seven Hundred and Thirteen Dollars **($89,040,713**).

Section 2. The Appropriation Limit for Fiscal Year 2013-2014 of **$89,040,713** exceeds the Proceeds of Taxes included in the Fiscal Year 2013-2014 budget in compliance with Article XIIIB of the California Constitution and Proposition 111 and therefore, the City is under its Appropriation Limit.

Section 3. That the growth factors used in calculating the Fiscal Year 2013 -2014 Appropriations Limit are the percentage change in California per capita income and the percentage change in population in the City of Compton.

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

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

ADOPTED this _____ day of _____, 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: COUNCILMEMBERS -
NOES: COUNCILMEMBERS -
ABSENT: COUNCILMEMBERS -
ABSTAIN: COUNCILMEMBERS -

_____
CITY CLERK OF THE CITY OF COMPTON

July 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

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

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO JANKOVICH, SC FUELS AND AAA OIL FOR GASOLINE AND DIESEL FUEL**

SUMMARY

This resolution requests authorization to issue purchase orders to SC Fuels, Jankovich and AAA Oil for the provision of gasoline, lube and diesel fuel for the City of Compton's fleet and equipment.

BACKGROUND

The Public Works Street Maintenance Division has a continuous need to purchase and store gasoline and diesel fuel for the daily operations of our City-owned vehicles and equipment. Without an adequate supply of fuel, the City will not meet its daily operational needs.

The price of fuel has been volatile. Requesting firm prices from sole vendors for an entire year can hinder the City's ability to purchase fuel at the lowest price. Instead, we are requesting the authority to shop for the lowest fuel prices per gallon from three fuel providers. SC Fuels and Jankovich have provided fuel to the City of Compton in the past and have provided satisfactory service. AAA Oil is a new vendor with the City.

Therefore, we are requesting the ability to shop fuel prices on a daily basis from three selected vendors: SC Fuels, Jankovich and AAA Oil, so that we can ensure that the City receives the lowest wholesale price per gallon when purchasing fuel.

FISCAL IMPACT

The Public Works Street Maintenance Division is requesting to issue a purchase order to SC Fuels, Jankovich and AAA Oil to provide fuel for Fiscal Year 2013-2014. Funds for this expenditure shall not exceed Two Hundred Twenty Three Thousand Four Hundred Sixty Eight Dollars and Twenty Five Cents ($223,468.25) to be expended between the three vendors.

#19.

Fuel Purchase
July 23, 2013

The Funds are to be allocated in the Public Works Street Maintenance Division 2013-2014 Fiscal Year's budget in the following account numbers:

Account Number	Description	Amount	Balance
6000-720-000-4269	Other Contract Services	$ 144,382.66	0.00
6000-720-000-4262	Other Professional Services	$ 79,085.59	0.00
	Total	$ 223,468.25	

RECOMMENDATION

Staff recommends the adoption of the authorizing the City Manager to issue a purchase orders to SC Fuels, Jankovich and AAA Oil to provide fuel for the City of Compton's fleet and equipment.

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

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

GHD/GK/RC

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO JANKOVICH, SC FUELS AND AAA OIL FOR GASOLINE AND DIESEL FUEL

WHEREAS, the Street Maintenance Division has a continuous need for gasoline and diesel fuel for daily operations of vehicles and equipment; and

WHEREAS, there are three vendors that the Street Maintenance Department has purchased fuel from during the past year; and

WHEREAS, staff is requesting the authority to check daily wholesale gas prices and purchase fuel at the lowest daily fuel price per gallon from one of the three designated vendors; and

WHEREAS, the three approved vendors are SC Fuels, Jankovich and AAA Oil; and

WHEREAS, the funds have been allocated in the Street Maintenance Division's 2013-2014 Fiscal Year Budget for these purchases.

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 issue purchase orders to SC Fuels, Jankovich and AAA Oil for an amount not to exceed Two Hundred Twenty Three Thousand Four Hundred Sixty Eight Dollars and Twenty Five Cents ($223,468.25) collectively to provide gasoline and diesel fuel for the City's Fleet.

SECTION 2. That funds are to be taken from the following Account Nos.

Account Number	**Description**	**Amount**
6000-720-000-4269	Other Contract Services	$ 144,382.66
6000-720-000-4262	Other Professional Services	$ 79,085.59
	Total	$ 223,468.25

SECTION 3. That a copy of this resolution shall be forwarded to the offices of the City Manager, City Controller and Street Maintenance Division.

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

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

#19.

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-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO JANKOVICH, SC FUELS, AND AAA OIL FOR GASOLINE AND DIESEL FUEL**

Glen Kau	**7/16/2013 9:09:47 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/18/2013 11:27:02 AM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/18/2013 11:21:46 AM**
CITY CONTROLLER	DATE
G. Harold Duffey	**7/17/2013 8:47:43 PM**
CITY MANAGER	DATE

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

July 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **GLEN W.C. KAU, INTERIM DIRECTOR**
PUBLIC WORK/MUNICIPAL UTILITIES

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PUBLIC WORKS DEPARTMENT 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO AMEND THE CONTRACT WITH SIALIC CONTRACTORS CORPORATION DBA SHAWNAN FOR CONSTRUCTION OF THE GONZALES PARK GRADING AND DRAINAGE IMPROVEMENT PROJECT (CIP #07-03)**

SUMMARY

This resolution amends the Public Works 2013-2014 fiscal year budget and authorizes the City Manager to amend the contract with Sialic Contractors Corporation dba Shawnan (Shawnan) for construction of the Gonzales Park Grading and Drainage Improvement Project.

BACKGROUND

On May 10, 2011, pursuant to Resolution No. 23,313, City Council authorized the City Manager to accept the bid of Shawnan for the construction of the Gonzales Park Grading and Drainage Improvement Project at Gonzales Park on Rosecrans Avenue.

The work consisted of the removal of the existing asphalt pavement, curb and gutter, fencing, earth and landscaping including excavation of a retention pond, placement of fill and topsoil, placement of asphalt pavement, curb and gutter, stripping, signage, storm drainage system, storm water treatment and sanitary sewer improvements. Additional improvements consisted of the installation of landscaping, a bioswale, and erosion control measures, walking trails, walls, fences, irrigation and interpretive signage.

The cost of the contract was for $747,953.50 subject to adjustments for changes in the work as may be agreed to in writing by the City and the contractor. There is $48,342.85 balance available for this project on a current purchase order.

On November 27, 2012, Public Works staff received Invoice #7 for $197,642.86 which included three (3) additional work items totaling $149,300.01. The additional items were not a part of the original bid work scope, but were necessary to complete the project. These additional work items included the installation of drainage pipe, the removal and replacement of concrete north of the gym, baseball field irrigation and hydroseeding, additional irrigation, additional colored concrete driveways, turf blocks & flagstones, and decomposed granite stabilizers.

STATEMENT OF THE ISSUE

The construction phase is 100% complete. The US Army Core of Engineers has denied the ability to make a connection to Compton Creek Channel to drain the run-off water from Gonzales Park into Compton Creek. Staff will be reviewing for other options to properly discharge drainage from the park site.

As a result of the extra work items necessary to complete the project, staff is requesting authorization from the City Council to amend the contract with Shawnan allocating an additional $149,300.01 to pay Shawnan for the additional work associated with the project.

FINANCIAL IMPACT

The project was funded utilizing the 2002 Resources Bond Act Per Capita Grant ($422,000), the Roberti-Z'berg-Harris Block Grant ($197,809), and the Lease Revenue Bond funds ($280,309.76) for the project, totaling 900,118.76. Design services in an amount of $77,369.91 were previously expended for the project.

Additional Lease Revenue Bond funds in an amount not to exceed $149,300.01 are necessary to complete the project and will come from the Lease Revenue Bonds funds. There is no impact to the General Fund.

Therefore, Lease Revenue Bond funding shall increase revenue and expenditures as follows:

Account No.	Description	Amount
3030-000-000-3970	Lease Revenue Bond	$149,300.01
3030-710-GPG-4269	Lease Revenue Bond	$149,300.01

ALTERNATIVES

There is no other alternative. The Contractor desires to be paid for work performed on the project.

RECOMMENDATION

Staff recommends the adoption of the attached resolution.

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

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PUBLIC WORKS DEPARTMENT 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO AMEND THE CONTRACT WITH SIALIC CONTRACTORS CORPORATION DBA SHAWNAN FOR CONSTRUCTION OF THE GONZALES PARK GRADING AND DRAINAGE IMPROVEMENT PROJECT (CIP #07-03)

WHEREAS, on May 10, 2011, pursuant to Resolution No. 23,313, City Council authorized the City Manager to accept the bid of Shawnan for the construction of the Gonzales Park Grading and Drainage Improvement project at Gonzales Park on Rosecrans Avenue; and

WHEREAS, the work consisted of the removal of the existing asphalt pavement, curb and gutter, fencing, earth and landscaping including excavation of a retention pond, placement of fill and topsoil, placement of asphalt pavement, curb and gutter, stripping, signage, storm drainage system, storm water treatment and sanitary sewer improvements and landscape improvements including the installation of bioswale, erosion control, trails, walls, fences, irrigation and interpretive signage; and

WHEREAS, the amount of the original contract was for $747,953.50 subject to adjustments for changes in the work as may be agreed to in writing by the City and the Contractor; and

WHEREAS, on November 27, 2012, Public Works staff received Invoice #7 for $197,642.86 which included three (3) change orders totaling, $149,300.01; and

WHEREAS, the change order items were not included in the original bid;

WHEREAS, the items were necessary to complete the project and these change order items included installation of drainage pipes, removal and replacement of concrete north of the gym, ballfield irrigation and hydroseeding, additional irrigation, additional colored concrete driveways, turf blocks & flagstones, and degenerated granite stabilizers; and

WHEREAS, the construction phase of the project is 100% completed; and

WHEREAS, as a result of the change orders necessary to complete the project, staff is requesting authorization from the City Council to amend the contract with Shawnan allocating an additional $149,300.01; and

WHEREAS, additional Lease Revenue Bond funds in an amount not to exceed $149,300.01 are necessary to complete the project and will come from the Lease Revenue Bonds funds; and

WHEREAS, Lease Revenue Bond funding shall increase revenue and expenditures as follows:

Account No.	Description	Amount
3030-000-000-3970	Lease Revenue Bond	$149,300.01
3030-710-GPG-4269	Lease Revenue Bond	$149,300.01

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

SECTION 1. That the City Council does hereby authorize the City Manager to amend the Public Works 2012-2013 Fiscal Year budget.

SECTION 2. That the FY 2012-2013 Annual Budget be amended and revenue and expenditures be increased as follows:

Account No.	Description	Amount
3030-000-000-3970	Revenue-Prior Years	$149,300.01
3030-710-GPG-4269	Other Contract Services	$149,300.01

SECTION 3. That Lease Revenue Bond funds in an amount not to exceed $149,300.01 are available in Account No. 3030-710-GPG-4269.

SECTION 4. That the City Manager, upon the advice of the City Attorney, is authorized to and authorize the City Manager to amend the contract with Sialic Contractors Corporation dba Shawnan for the construction of the Gonzales Park Grading and Drainage Improvement Project to include the additional work specified above and provide additional completion to allow for close-out of the Project.

SECTION 5. That a purchase order is authorized to be issued to Shawnan in an amount not to exceed One Hundred Forty-Nine Thousand Three Hundred Dollars and One Cent ($149,300.01).

SECTION 6. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, Parks and Recreation, and the Public Works Department.

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
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:

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

_____
CITY CLERK OF THE CITY OF COMPTON

FIRST AMENDMENT TO CONSTRUCTION SERVICES AGREEMENT BETWEEN CITY OF COMPTON AND SIALIC CONTRACTORS CORPORATION (dba) SHAWNAN

[Gonzales Park Grading and Drainage Improvement Project – CIP# 07-03]

This **FIRST AMENDMENT** is entered into by and between the **CITY OF COMPTON,** a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) and **SIALIC CONTRACTORS CORPORATION (dba) SHAWNAN** (hereinafter referred to as **"CONTRACTOR"**).

RECITALS

WHEREAS, on May 10, 2011, the City Council adopted Resolution No. 23,313, which authorized an agreement with the **CONTRACTOR** to perform work required pursuant to the Gonzales Park Grading and Drainage Improvement Project CIP# 07-03 ("Project"); and

WHEREAS, the agreed contract price for the work to be performed was for $747,953.50, unless changed by parties by change order(s); and

WHEREAS, CONTRACTOR has submitted a change order totaling $149,300.01 for additional work items that are necessary to complete the Project; more specifically, installation of drainage pipe, removal and replacement of concrete north of the gym, baseball field irrigation and hydroseeding, additional irrigation, additional colored concrete driveways, turf blocks and flagstones and decomposed granite stabilizers, which shall also extend the time necessary to complete the Project; and

WHEREAS, the parties desire to amend the original Agreement to extend the Project completion time and provide approval for the costs of the additional work; and

WHEREAS, authorization to enter into this First Amendment to the original Agreement is pursuant to Resolution No. _____, adopted by the City Council on _____, 2013.

NOW, THEREFORE, the parties do hereby mutually agree to amend the Agreement as follows:

AMENDMENTS

1. The parties agree to amend **Section 3.0 – Contract Price** of the original Agreement to approve a Change Order(s) totaling $149,300.01 as additional compensation payable to **CONTRACTOR** for installation of drainage pipe, removal and replacement of concrete north of the gym, baseball field irrigation and hydroseeding, additional irrigation, additional colored concrete driveways, turf blocks and flagstones and decomposed granite stabilizers.

2. The parties agree to amend **Section 4.2.1 – Commencement/Construction Services** of the original Agreement to extend the time for completion of the work on the Project to no later than June 30, 2014.

3. Except as provided for above, all other terms and conditions of the original Agreement and any amendments thereto between the **CITY** and the **CONTRACTOR** all remain in effect.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed this **FIRST AMENDMENT** to the above-identified **AGREEMENT FOR CONSTRUCTION SERVICES.**

SIALIC CONTRACTORS CORPORATION dba SHAWNAN
CONTRACTOR

By _____ **Dated: _____**
Shawn A. Smith, President

CITY OF COMPTON
Recommended for Approval:

By _____ **Dated: _____**
Glen W.C. Kau. P.E, Interim Director
Public Works/Municipal Utilities Dept.

Approved by:

Dated: _____ **By _____**
G. Harold Duffey, City Manager

Approved as to form:

By _____ **Dated: _____**
Craig J. Cornwell, City Attorney

ATTEST:

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PUBLIC WORKS DEPARTMENT 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO AMEND THE CONTRACT WITH SIALIC CONTRACTORS CORPORATION DBA SHAWNAN FOR CONSTRUCTION OF THE GONZALES PARK GRADING AND DRAINAGE IMPROVEMENT PROJECT (CIP #07-03)**

Glen Kau	**7/10/2013 6:39:19 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/16/2013 7:22:57 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/11/2013 5:39:07 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**7/10/2013 7:19:17 PM**
CITY MANAGER	DATE

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

July 23, 2013

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **VAN WILSON, DIRECTOR OF GENERAL SERVICES**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXERCISE AN OPTION TO PURCHASE EXISTING CITY VEHICLES LEASED FROM ENTERPRISE FLEET SERVICES**

SUMMARY

The City Council will consider a resolution authorizing the City Manager to exercise an option to purchase existing City vehicles leased from Enterprise Fleet Management for an amount not to exceed $942,000.00.

BACKGROUND

In 2008 the City entered into a 60-month vehicle lease agreement with Enterprise Fleet Management (Attachment A). The agreement includes a combination of 130 cars and light-duty trucks, as well as 6 heavy-duty trucks. Eight (8) additional vehicles were added to the agreement in 2010 (Attachment B), bringing the total number of leased vehicles to 144 units. On July 31, 2013 the Enterprise lease will reach term and the City must take action to assure that transportation is available.

STATEMENT OF THE ISSUE

The 2008 Enterprise lease agreement allowed the City to significantly upgrade the age and condition of the City's fleet. The current leased vehicles are on average less than 5 model years old with low to moderate mileage and wear. Given the age and condition of the fleet, staff recommended the purchase of the assets during the FY 2013-14 budget development process. Upon the adoption of the budget, staff began discussions with Enterprise regarding the City's intention to exercise the purchase option of the lease agreement.

ALTERNATIVE

Enterprise Fleet Services has provided the City with alternative options to enter into a 24-month lease extension (Attachment C) or a 36-month lease extension (Attachment D). The annual cost to extend the lease agreement for either 24 or 36 months is $638,604 or 505,920 respectively.

TERMS	N.T. E. PAYOFF	MONTHLY	ANNUAL	TOTAL
1	$942,000			**$942,000**
24		$53,217	$638,604	**$1,277,208**
36		$42,160	$505,920	**$1,517,760**

FINANCIAL IMPACT

The purchase of the existing 144 leased vehicles will be at a onetime cost in an amount not to exceed $942,000. The funds for this expenditure are appropriated in the Fiscal Year 2013-2014 budget in Account No. 6000-720-000-4297.

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution authorizing the purchase of 144 vehicles from Enterprise Fleet Management in an amount not to exceed $942,000.00.

VAN WILSON, DIRECTOR
GENERAL SERVICES DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXERCISE AN OPTION TO PURCHASE EXISTING CITY VEHICLES LEASED FROM ENTERPRISE FLEET SERVICES

WHEREAS, Fleet Service Management was transferred to the General Services Department at the start of Fiscal Year 2013-2014; and

WHEREAS, during the FY 2013-14 budget development process, Council supported the proposed plan to purchase the Enterprise fleet; and

WHEREAS, following approval of the budget, staff notified Enterprise Fleet Services of the City's intentions to purchase the vehicles and Enterprise requested that the City consider extending the lease by 24 or 36 months; and

WHEREAS, staff believes that purchasing the 144 vehicles currently leased from Enterprise is more cost efficient and best suits the City's long-term recovery strategy**;** and

WHEREAS, it is recommended that the City Council authorize a purchase order to Enterprise Fleet Management to purchase 144 vehicles in an amount not to exceed $942,000.00.

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

SECTION 1. That the City Manager is authorized to purchase the 144 vehicles currently leased from Enterprise Fleet Services.

SECTION 2. That a purchase order shall be issued to Enterprise Fleet Services in the amount not to exceed $942,000.00.

SECTION 3. That funds for this expenditure are available in Account No. 6000-720-000-4297.

SECTION 4. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, General Services and Public Works/Municipal Utilities.

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
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

#21.

MASTER EQUITY LEASE AGREEMENT

This Master Equity Lease Agreement is entered into this twenty-first day of February, 2008, by and between Enterprise Rent-A-Car Company of Los Angeles, a Nevada corporation doing business as "Enterprise Fleet Services" ("Lessor"), and the lessee whose name and address is set forth on the signature page below ("Lessee")

1 LEASE OF VEHICLES Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles ("Vehicle(s)') described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms set forth in this Agreement and in the applicable Schedule References to this "Agreement" shall include this Master Equity Lease Agreement and the various Schedules and addenda to this Master Equity Lease Agreement Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle The terms contained in each Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within ten (10) days after the date of delivery of the Vehicle covered by such Schedule This Agreement is a lease only and Lessor will at all times remain the owner of the Vehicles and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership

2 TERM The term of this Agreement ("Term") for each Vehicle begins on the date such Vehicle is delivered to Lessee (the "Delivery Date") and, unless terminated earlier in accordance with the terms of this Agreement, continues for the "Lease Term" as described in the applicable Schedule

3 RENT AND OTHER CHARGES

(a) Lessee agrees to pay Lessor monthly rental according to the Schedules and this Agreement The monthly rental payments will be in the amount listed as the "Total Monthly Rental Including Additional Services" on the applicable Schedule and will be due and payable in advance on the first day of each month If a Vehicle is delivered to Lessee on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month In addition to the monthly rental payments, Lessee agrees to pay Lessor a pro-rated rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date A portion of each monthly rental payment, being the amount designated as "Depreciation Reserve" on the applicable Schedule, will be considered as a reserve for depreciation and will be credited against the Delivered Price of the Vehicle for purposes of computing the Book Value of the Vehicle under Section 3(c) Lessee agrees to pay Lessor the "Total Initial Charges" set forth in each Schedule on the due date of the first monthly rental payment under such Schedule Lessee agrees to pay Lessor the "Service Charge Due at Lease Termination" set forth in each Schedule at the end of the applicable Term (whether by reason of expiration, early termination or otherwise)

(b) In the event the Term for any Vehicle ends prior to the last day of the scheduled Term, whether as a result of a default by Lessee, a Casualty Occurrence or any other reason, the rentals and management fees paid by Lessee will be recalculated in accordance with the rule of 78's and the adjusted amount will be payable by Lessee to Lessor on the termination date

(c) Lessee agrees to pay Lessor within thirty (30) days after the end of the Term for each Vehicle, additional rent equal to the excess, if any, of the Book Value of such Vehicle over the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule If the Book Value of such Vehicle is less than the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule, Lessor agrees to pay such deficiency to Lessee as a terminal rental adjustment within thirty (30) days after the end of the applicable Term Notwithstanding the foregoing, if (i) the Term for a Vehicle is greater than forty-eight (48) months (including any extension of the Term for such Vehicle), (ii) the mileage on a Vehicle at the end of the Term is greater than 15,000 miles per year on average (prorated on a daily basis) (i e if the mileage on a Vehicle with a Term of thirty-six (36) months is greater than 45,000 miles) or (iii) in the sole judgment of Lessor, a Vehicle has been subject to damage or any abnormal or excessive wear and tear, the calculations described in the two immediately preceding sentences shall be made without giving effect to clause (ii) in each such sentence The "Book Value" of a Vehicle means the sum of (i) the "Delivered Price" of the Vehicle as set forth in the applicable Schedule <u>minus</u> (ii) the total Depreciation Reserve paid by Lessee to Lessor with respect to such Vehicle <u>plus</u> (iii) all accrued and unpaid rent and/or other amounts owed by Lessee with respect to such Vehicle

(d) Any security deposit of Lessee will be returned to Lessee at the end of the applicable Term, except that the deposit will first be applied to any losses and/or damages suffered by Lessor as a result of Lessee's breach of or default under this Agreement and/or to any other amounts then owed by Lessee to Lessor

(e) Any rental payment or other amount owed by Lessee to Lessor which is not paid within twenty (20) days after its due date will accrue interest, payable on demand of Lessor, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate permitted by applicable law (the "Default Rate")

(f) If Lessee fails to pay any amount due under this Agreement (including maintenance management or VIP Rental billings) or to comply with any of the covenants contained in this Agreement, Lessor may, at its option, pay such amounts or perform such covenants and all sums paid or incurred by Lessor in connection therewith will be repayable by Lessee to Lessor upon demand together with interest thereon at the Default Rate

4 USE AND SURRENDER OF VEHICLES Lessee agrees to allow only duly authorized, licensed and insured drivers to use and operate the Vehicles Lessee agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances and the provisions of all insurance policies affecting or covering the Vehicles or their use or operation Lessee agrees to keep the Vehicles free of all liens, charges and encumbrances Lessee agrees that in no event will any Vehicle be used or operated for transporting hazardous substances or persons for hire, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations Lessee agrees that no vehicle is intended to be or will be utilized as a "school bus" as defined in the Code of Federal Regulations or any applicable state or municipal statute or regulation Lessee agrees not to remove any Vehicle from the continental United States without first obtaining Lessor's written consent At the expiration or earlier termination of this Agreement with respect to each Vehicle, or upon demand by Lessor made pursuant to Section 14, Lessee at its risk and expense agrees to return such Vehicle to Lessor at such place and by such reasonable means as may be designated by Lessor If for any reason Lessee fails to return any Vehicle to Lessor as and when required in accordance with this Section, Lessee agrees to pay Lessor additional rent for such Vehicle at twice the normal pro-rated daily rent Acceptance of such additional rent by Lessor will in no way limit Lessor's remedies with respect to Lessee's failure to return any Vehicle as required hereunder

5 COSTS, EXPENSES, FEES AND CHARGES Lessee agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties and taxes (other than federal and state income taxes on the income of Lessor) incurred in connection with the titling, registration, delivery, purchase, sale, rental, use or operation of the Vehicles during the Term If Lessor incurs any such costs or expenses, Lessee agrees to promptly reimburse Lessor for the same

6 LICENSE AND CHARGES Each Vehicle will be licensed in Lessor's name at Lessee's expense Certain other charges relating to the acquisition of each Vehicle and paid or satisfied by Lessor have been capitalized in determining the monthly rental treated as an initial charge or otherwise charged to Lessee Such charges have been determined without reduction for trade-in, exchange allowance or other credit attributable to any Lessor-owned vehicle

Initials EPS _____ Cust _____

#21.

7 **REGISTRATION PLATES, ETC** Lessee agrees, at its expense, to obtain in the name of Lessor registration plates and other plates, permits, inspections and/or licenses required in connection with the Vehicles, except for the initial registration plates which Lessor will obtain at Lessee's expense The parties agree to cooperate and to furnish any and all information or documentation, which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule regulation or ordinance Lessee agrees that it will not permit any Vehicle to be located in a state other than the state in which such Vehicle is then titled for any continuous period of time that would require such Vehicle to become subject to the titling and/or registration laws of such other state

8 **IMPROVEMENTS AND MAINTENANCE OF VEHICLES**

(a) Lessee agrees, at its expense, to (i) maintain the Vehicles in good condition, repair, maintenance and running order and in accordance with all manufacturer's instructions and warranty requirements and all legal requirements and (ii) furnish all labor, materials, parts and other essentials required for the proper operation and maintenance of the Vehicles Any alterations, additions, replacement parts or improvements to the Vehicles will become and remain the property of Lessor and will be returned with the Vehicles pursuant to Section 4 Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, Lessee shall have the right to remove any additional equipment installed by Lessee on a Vehicle prior to returning such Vehicle to Lessor under Section 4 The value of such alterations, additions, replacement parts and improvements will in no instance be regarded as rent Without the prior written consent of Lessor, Lessee will not make any alterations, additions, replacement parts or improvements to any Vehicle which detract from its economic value or functional utility Lessor will not be required to make any repairs or replacements of any nature or description with respect to any Vehicle, to maintain or repair any Vehicle or, except as set forth in Section 8(b) below, to make any expenditure whatsoever in connection with any Vehicle or this Agreement

(b) Notwithstanding the provisions of Section 8(a) above, if Section 4 of a Schedule includes a charge for maintenance, Lessor agrees that, subject to the terms and conditions of this Section 8(b), it will pay for, or reimburse Lessee for its payment of, all costs and expenses incurred in connection with the maintenance or repair of the Vehicle(s) covered by such Schedule (each, a "Covered Vehicle") This Section 8(b) does not cover, and Lessee will remain responsible for and pay for, (i) fuel, (ii) oil and other fluids between changes, (iii) tire repair and replacement, (iv) washing, (v) repair of damage due to lack of maintenance by Lessee between scheduled services (including, without limitation, failure to maintain fluid levels), (vi) maintenance or repair of any alterations to a Covered Vehicle or of any after-market components (this Section 8(b) covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitation, step vans) or other equipment (including, without limitation, lift gates and PTO controls) which is installed or modified by a dealer, body shop, upfitter or anyone else other than the manufacturer of the Covered Vehicle, (vii) any service and/or damage resulting from, related to or arising out of an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other Acts of God, an object striking the Covered Vehicle, improper use of the Covered Vehicle (including, without limitation, driving over curbs, overloading, racing or other competition) or Lessee's failure to maintain the Covered Vehicle as required by this Agreement, (viii) roadside assistance or towing for vehicle maintenance purposes, (ix) mobile services, (x) the cost of loaner or rental vehicles or (xi) if the Covered Vehicle is a truck, (A) manual transmission clutch adjustment or replacement, (B) brake adjustment or replacement or (C) front axle alignment Whenever it is necessary to have a Covered Vehicle serviced, Lessee agrees to have the necessary work performed by an authorized dealer of such Covered Vehicle or by a service facility acceptable to Lessor In every case, if the cost of such service will exceed $50 00, Lessee must notify Lessor and obtain Lessor's authorization for such service and Lessor's instructions as to where such service shall be made and the extent of service to be obtained Lessee agrees to furnish an invoice for all service to a Covered Vehicle, accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order) Lessor will not be obligated to pay for any unauthorized charges or those exceeding $50 00 for one service on any Covered Vehicle unless Lessee has complied with the above terms and conditions Lessor will not have any responsibility to pay for any services in excess of the services recommended by the manufacturer, unless otherwise agreed to by Lessor Notwithstanding any other provision of this Section 8(b), (i) all service performed within one hundred twenty (120) days prior to the last day of the scheduled Term must be authorized by and have the prior consent and approval of Lessor and any service not so authorized will be the responsibility of and be paid for by Lessee and (ii) Lessor is not required to provide or pay for any service to any covered Vehicle after 100,000 miles Lessor may, at its option, provide Lessee with an authorization card (the "Enterprise Card") for use in authorizing the payment of charges incurred in connection with the maintenance of the Covered Vehicles Lessee agrees to be liable to Lessor for, and upon receipt of a monthly or other statement from Lessor, Lessee agrees to pay to Lessor, all charges made by or for the account of Lessee with the Enterprise Card (other than any charges which are the responsibility of Lessor under the terms of this Section 8(b)) Lessor reserves the right to change the terms and conditions for the use of the Enterprise Card at any time The Enterprise Card remains the property of Lessor and Lessor may revoke Lessee's right to possess or use the Enterprise Card at any time Upon termination or expiration of the Agreement or upon the demand of Lessor, Lessee must return the Enterprise Card to Lessor The Enterprise Card is non-transferable The monthly maintenance charge set forth on each applicable Schedule allows the number of miles per month as set forth in such Schedule Lessee agrees to pay Lessor at the end of the applicable Term (whether by reason of expiration, early termination or otherwise) an over mileage maintenance charge for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule

9 **SELECTION OF VEHICLES AND DISCLAIMER OF WARRANTIES**

(a) LESSEE ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY LESSEE AND THAT SUCH VEHICLE IS IN GOOD CONDITION AND REPAIR AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR LESSEE'S PURPOSE LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF OR A DEALER IN ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF OR A DEALER IN ANY VEHICLE

(b) LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS " All warranties made by any supplier, vendor and/or manufacturer of a Vehicle are hereby assigned by Lessor to Lessee for the applicable Term and Lessee's only remedy, if any, is against the supplier, vendor or manufacturer of the Vehicle No defect, unfitness or lack of governmental approval in, of or with respect to a Vehicle regardless of the cause or consequence will relieve Lessee from the performance of its obligations under this Agreement, including the payment of rent

(c) Lessor will not be liable to Lessee for any liability, claim, loss, damage (direct, incidental or consequential) or expense of any kind or nature, caused directly or indirectly, by any Vehicle or any inadequacy of any Vehicle for any purpose or any defect (latent or patent) in any Vehicle or the use or maintenance of any Vehicle or any repair, servicing or adjustment of or to any Vehicle, or any delay in providing or failure to provide any Vehicle, or any interruption or loss of service or use of any Vehicle, or any loss of business or any damage whatsoever and however caused In addition, Lessor will have no liability to Lessee under this Agreement or under any order authorization form executed by Lessee if Lessor is unable to locate or purchase a Vehicle ordered by Lessee or for any delay in delivery of any Vehicle ordered by Lessee

10 **RISK OF LOSS** Lessee assumes and agrees to bear the entire risk of loss of, theft of, damage to or destruction of any Vehicle from any cause whatsoever ("Casualty Occurrence") No Casualty Occurrence to any Vehicle will relieve Lessee from its obligation to pay rent or to perform any of its other obligations under this Agreement In the event of a Casualty Occurrence, Lessee shall give Lessor prompt notice of the Casualty Occurrence and thereafter will place the applicable Vehicle in good repair, condition and working order, provided, however, that if the applicable Vehicle is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair (a "Totaled Vehicle"), Lessee agrees to pay Lessor no later than the date thirty (30) days after the date of the Casualty Occurrence the amounts owed under Sections 3(b) and 3(c) with respect to such Totaled Vehicle Upon such payment, this Agreement will terminate with respect to such Totaled Vehicle

#21.

11 INSURANCE

(a) Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee and Lessor against any damage, claim suit action or liability

(i) Commercial Automobile Liability, (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law), for the limits listed below ($5,000,000 limits are required for Vehicles capable of transporting more than 8 passengers)

State of Vehicle Registration	Coverage
Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont	$1,000,000 Combined Single Limit Bodily Injury and Property Damage - No Deductible
Florida	$500,000 Combined Single Limit Bodily Injury and Property Damage or $100,000 Bodily Injury Per Person, $300,000 Per Occurrence and $50,000 Property Damage (100/300/50) - No Deductible
All Other States	$300,000 Combined Single Limit Bodily Injury and Property Damage or $100,000 Bodily Injury Per Person, $300,000 Per Occurrence and $50,000 Property Damage (100/300/50) - No Deductible

(ii) Physical Damage Insurance (Collision & Comprehensive Actual cash value of the applicable Vehicle Maximum deductible of $500 per occurrence - Collision and $250 per occurrence - Comprehensive)

If the requirements of any governmental or regulatory agency exceed the minimums stated in this Agreement, Lessee must obtain and maintain the higher limits Lessee agrees that each required policy of insurance will by appropriate endorsement or otherwise name Lessor as an additional insured and as a loss payee, as its interests may appear Further, each such insurance policy must provide the following (i) that the same may not be cancelled, changed or modified until after the insurer has given to Lessor or its assigns at least a thirty (30) day prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of Lessee or any other person shall affect the right of Lessor to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle and (iii) that the coverage is "primary coverage" for the protection of Lessee and Lessor notwithstanding any other coverage carried by Lessee or Lessor protecting against similar risks Original certificates evidencing such coverage and naming Lessor as an additional insured and loss payee, shall be furnished to Lessor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Lessor from time to time In the event of default, Lessee hereby appoints Lessor as Lessee's attorney-in fact to receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so Any expense of Lessor in adjusting or collecting insurance shall be borne by Lessee

Lessee, its drivers, servants and agents agree to cooperate fully with Lessor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of any Vehicle If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee will promptly notify Lessor of such action or claim and forward to Lessor a copy of every demand, notice, summons or other process received in connection with such claim or action

(b) Notwithstanding the provisions of Section 11(a) above (i) if Section 4 of a Schedule includes a charge for physical damage management, Lessor agrees that (A) Lessee will not be required to obtain or maintain the minimum physical damage insurance (collision and comprehensive) required under Section 11(a) for the Vehicle(s) covered by such Schedule and (B) Lessor will assume the risk of physical damage (collision and comprehensive) to the Vehicle(s) covered by such Schedule, provided, however, that such physical damage management shall not apply to, and Lessee shall be and remain liable and responsible for, damage to a covered Vehicle caused by wear and tear or mechanical breakdown or failure, damage to or loss of any parts, accessories or components added to a covered Vehicle by Lessee without the prior written consent of Lessor and/or damage to or loss of any property and/or personal effects contained in a covered Vehicle In the event of a Casualty Occurrence to a covered Vehicle, Lessor may, at its option, replace, rather than repair, the damaged Vehicle with an equivalent vehicle, which replacement vehicle will then constitute the "Vehicle" for purposes of this Agreement, and (ii) if Section 4 of a Schedule includes a charge for commercial automobile liability enrollment, Lessor agrees that it will, at its expense, obtain for and on behalf of Lessee (either by adding Lessee as an additional insured under a commercial automobile liability insurance policy insuring Lessor, obtaining insurance on behalf of Lessee or otherwise) the minimum commercial automobile liability insurance required under Section 11(a) for the Vehicle(s) covered by such Schedule Lessor may at any time during the applicable Term terminate said obligation to provide physical damage management and/or commercial automobile liability enrollment and cancel such physical damage management and/or commercial automobile liability enrollment upon giving Lessee ten (10) days written notice Upon such cancellation, insurance in the minimum amounts as set forth in 11(a) shall be obtained and maintained by Lessee at Lessee's expense An adjustment will be made in monthly rental charges payable by Lessee to reflect such insurance change and Lessee agrees to furnish Lessor with satisfactory proof of insurance coverage within ten (10) days after mailing of the notice In addition, Lessor may change the rates charged by Lessor under this Section 11(b) for physical damage management and/or commercial automobile liability enrollment upon giving Lessee thirty (30) days prior written notice

12 INDEMNITY Lessee agrees to defend and indemnify Lessor from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any of the Vehicle The provisions of this Section 12 shall survive any expiration or termination of this Agreement

13 INSPECTION OF VEHICLES, ODOMETER DISCLOSURE, FINANCIAL STATEMENTS Lessee agrees to accomplish, at its expense, all inspections of the Vehicles required by any governmental authority during the Term Lessor will have the right to inspect any Vehicle at any reasonable time(s) during the Term and for this purpose to enter into or upon any building or place where any Vehicle is located Lessee agrees to comply with all odometer disclosure laws, rules and regulations and to provide such written and signed disclosure information on such forms and in such manner as directed by Lessor Providing false information or failure to complete the odometer disclosure form as required by law may result in fines and/or imprisonment Lessee hereby agrees to promptly deliver to Lessor such financial statements and other financial information regarding Lessee as Lessor may from time to time reasonably request

14 DEFAULT, REMEDIES The following shall constitute events of default ("Events of Default") by Lessee under this Agreement (a) if Lessee fails to pay when due any rent or other amount due under this Agreement, (b) if Lessee fails to perform, keep or observe any other term, provision or covenant contained in this Agreement, (c) any seizure or confiscation of any Vehicle or any other act (other than a Casualty Occurrence) otherwise rendering any Vehicle unsuitable for use (as determined by Lessor), (d) if any present or future guaranty in favor of Lessor of all or any portion of the obligations of Lessee under this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent

#21.

jurisdiction, or if the validity or enforceability of a uch guaranty shall be contested or denied by any g or, or if any guarantor shall deny that it, he or she has any further liability or obligation under any such guaranty or if any guarantor shall fail to comply with or observe any of the terms, provisions or conditions contained in any such guaranty, (e) the occurrence of a material adverse change in the financial condition or business of Lessee or any guarantor, or (f) if Lessee or any guarantor is in default under or fails to comply with any other present or future agreement with or in favor of Lessor, Enterprise Rent-A-Car Company or any direct or indirect subsidiary of Enterprise Rent-A-Car Company For purposes of this Section 14, the term "guarantor" shall mean any present or future guarantor of all or any portion of the obligations of Lessee under this Agreement

Upon the occurrence of any Event of Default, Lessor, without notice to Lessee, will have the right to exercise concurrently or separately (and without any election of remedies being deemed made), the following remedies (a) Lessor may demand and receive immediate possession of any or all of the Vehicles from Lessee, without releasing Lessee from its obligations under this Agreement, if Lessee fails to surrender possession of the Vehicles to Lessor on default (or termination or expiration of the Term), Lessor and its agents and independent contractors shall have the right to enter upon any premises where the Vehicles may be located and to remove and repossess the Vehicles, (b) Lessor may enforce performance by Lessee of its obligations under this Agreement, (c) Lessor may recover damages and expenses sustained by Lessor by reason of Lessee's default including, to the extent permitted by applicable law, all costs and expenses, including court costs and reasonable attorneys' fees and expenses, incurred by Lessor in attempting or effecting enforcement of its rights under this Agreement (whether or not litigation is commenced) and/or in connection with bankruptcy or insolvency proceedings, (d) upon written notice to Lessee, Lessor may terminate Lessee's rights under this Agreement, (e) with respect to each Vehicle, Lessor may recover from Lessee all amounts owed by Lessee under Sections 3(b) and 3(c) of this Agreement (and, if Lessor does not recover possession of a Vehicle, (i) the estimated wholesale value of such Vehicle for purposes of Section 3(c) shall be deemed to be $0 00 and (ii) the calculations described in the first two sentences of Section 3(c) shall be made without giving effect to clause (ii) in each such sentence), and/or (f) Lessor may exercise any other right or remedy which may be available to Lessor under the Uniform Commercial Code, any other applicable law or in equity A termination of this Agreement shall occur only upon written notice by Lessor to Lessee Any termination shall not affect Lessee's obligation to pay all amounts due for periods prior to the effective date of such termination or Lessee's obligation to pay any indemnities under this Agreement All remedies of Lessor under this Agreement or at law or in equity are cumulative

15 ASSIGNMENTS Lessor may from time to time assign, pledge or transfer this Agreement and any or all of its rights and obligations hereunder to an affiliate of Lessor Lessee agrees, upon notice of any such assignment, pledge or transfer, to pay all amounts due or to become due under this Agreement to such assignee, pledgee or transferee Each such assignee, pledgee or transferee will have all of the rights and obligations of Lessor that have been assigned to it under this Agreement Lessee's rights and interest in and to the Vehicles are and will continue at all times to be subject and subordinate in all respects to any assignment, pledge or transfer now or hereafter executed by Lessor with or in favor of any such assignee, pledgee or transferee, provided that Lessee shall have the right of quiet enjoyment of the Vehicles so long as no Event of Default under this Agreement has occurred and is continuing

Without the prior written consent of Lessor, Lessee may not assign, sublease, transfer or pledge this Agreement, any Vehicle, or any interest in this Agreement or in and to any Vehicle, or permit its rights under this Agreement or any Vehicle to be subject to any lien, charge or encumbrance Lessee's interest in this Agreement is not assignable and cannot be assigned or transferred by operation of law Lessee will not transfer or relinquish possession of any Vehicle (except for the sole purpose of repair or service of such Vehicle) without the prior written consent of Lessor

16 MISCELLANEOUS This Agreement contains the entire understanding of the parties Only an instrument in writing executed by both parties may make any modification or amendment of this Agreement Lessor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies under this Agreement and no waiver whatsoever shall be valid unless in writing and signed by Lessor and then only to the extent therein set forth A waiver by Lessor of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy, which Lessor would otherwise have on any future occasion If any term or provision of this Agreement or any application of any such term or provision is invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision will not be affected thereby Giving of all notices under this Agreement will be sufficient if mailed by certified mail to a party at its address set forth below or at such other address as such party may provide in writing from time to time Any such notice mailed to such address will be effective one (1) day after deposit in the United States mail, duly addressed, with certified mail, postage prepaid Lessee will promptly notify Lessor of any change in Lessee's address This Agreement may be executed in multiple counterparts (including telecopy counterparts), but the counterpart marked "ORIGINAL" by Lessor will be the original lease for purposes of applicable law All of the representations, warranties, covenants, agreements and obligations of each Lessee under this Agreement (if more than one) are joint and several

17 SUCCESSORS AND ASSIGNS, GOVERNING LAW Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor and its successors and assigns This Agreement will be governed by and construed in accordance with the substantive laws of the state where Lessor's office is located (as set forth below), which law will apply in the event of any conflict of law

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Equity Lease Agreement as of the day and year first above written

LESSEE City of Compton

By Charles Evans
Title City Manager

Address 205 S Willowbrook Ave
Compton, CA 90220

Date Signed 3-26-08

LESSOR Enterprise Fleet Management

By Dan Simonetti
Title Regional Sales Manager

Address 17210 S Main St
Gardena CA 90248

Date Signed 3.26.08

Initials CFS _____ Cust _____

#21.

STATEMENT OF POLICY AND PROCEDURES

Enterprise Fleet Services will use the information provided in this application for the sole purpose of fleet related services/programs

Enterprise Fleet Services reserves the right to return this application if all sections are not completed or determined misleading

Enterprise Fleet Services will conduct future inquiries either on an annual basis or as fleet size increases, and reserves the right to ask for additional or updated information as the need warrants

CORPORATE RESOLUTION MOTOR VEHICLE LEASE(S)

RESOLVED, That this Corporation lease from Enterprise Fleet Services, hereinafter called Enterprise, from time to time, such motor vehicles upon such terms and conditions, as in the judgment of the Officer(s) or employee(s) hereinafter authorized, this Corporation may require

RESOLVED FURTHER, that

Name	Charles Evans (Print Name)	(Signature)	**Title**	City Manager	or
Name	(Print Name)	(Signature)	**Title**		or
Name	(Print Name)	(Signature)	**Title**		or
Name	(Print Name)	(Signature)	**Title**		

are authorized and empowered on behalf of and in the name of this Corporation to execute Motor Vehicle Leases with Enterprise on such terms as may be agreed to by said person

RESOLVED FURTHER, that Enterprise is authorized to act upon this resolution until written notice of its revocation is received by Enterprise

I, _____ Secretary of _____, a Corporation in good standing in the State of _____, do herby certify that the resolution appearing above is a true copy of a resolution of the Board of Directors of said Corporation duly passed and adopted at a meeting of said Board of Directors, which was duly called and held in all respects as required by law and the bylaws of said Corporation on the _____ day of _____, 20__

I further certify that said resolution has not been amended or revoked and is still in full force and effect

Date _____

_____
Printed Name

(SEAL)

_____
Signature

_____
Title (Secretary of a Corporation)

#21.

17210 S. Main St.
2F28
Gardena, CA 90248
PHONE (310) 817-7380
FAX (310) 817-8380
E-MAIL Anthony.P.Rangel@erac.com

FAX COVER SHEET

DATE: 11 26.2008

TO: City of Compton

FAX #:

COMPANY:

FROM. **Tony Rangel**
Account Manager

OF PAGES INCLUDING COVER SHEET

IF YOU HAVE ANY QUESTIONS REGARDING THIS TRANSMITTAL, PLEASE CONTACT ME AT (310) 817-7380

Master Terms and Conditions

RESOLUTION NO 23,160

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A 5-YEAR LEASE AGREEMENT WITH ENTERPRISE FLEET SERVICES FOR THE ACQUISITION OF EIGHT (8) REPLACEMENT VEHICLES

WHEREAS, Resolution No 22,545 authorized entrance into a five-year agreement with Enterprise Fleet Services for the replacement, maintenance, and management of the City's light and medium duty vehicles, and

WHEREAS, the authorized annual amount of $742 822 19, did not include a number of vehicles that needed replacement, and

WHEREAS, staff has obtained a quote from Enterprise for the lease of eight (8) replacement vehicles, and

WHEREAS, funds are available in the FY 2010-2011 Annual 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 enter into a 5-year lease agreement with Enterprise Fleet Services for the replacement of eight (8) vehicles for the price of Two Hundred Twenty Three Thousand One Hundred Twenty Three Dollars and Eighty-Nine Cents ($223,123 89), also finance charges with an initial down payment of Sixty Eight Thousand Two Hundred Thirty Four Dollars and Eighty Three Cents ($68,234 83)

SECTION 2 That purchase orders shall be issued in an amount not-to-exceed Forty Eight Thousand Seven Hundred Nine Dollars and Eight Cents ($48,709 08) for five (5) consecutive fiscal years, commencing in FY 2010-2011

SECTION 3 That the funds shall come from Account No 6000-720-000-4297

SECTION 4 That copies of this resolution shall be forwarded to the office of the City Manager, City Controller, City Clerk, and the Public Works Department

SECTION 5 That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution

ADOPTED this 20th day of July 2010

Eric J. Perrodin
MAYOR OF THE CITY OF COMPTON

ATTEST

CITY CLERK OF THE CITY OF COMPTON

#21.

RESOLUTION NO 23,160
PAGE TWO

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 Council, signed by the Mayor, and attested by the City Clerk as a regular meeting thereof held on this 20th day of July 2010

That said resolution was adopted by the following vote to wit

AYES COUNCIL MEMBERS-Calhoun,Dobson,Jones,Perrodin
NOES COUNCIL MEMBERS-None
ABSTAINS COUNCIL MEMBERS-None
ABSENT COUNCIL MEMBERS-Arceneaux

CITY CLERK OF THE CITY OF COMPTON

City of Compton Additional Vehicle Lease Detail
May 17th, 2010

	Dept.	Year	Make	Model	Description	AME	Term	Cost New[1]	Money Down[2]	Monthly PMT[3]
1	General Services	2010	Ford	E150	Cargo Van	N/A	60	$19,599.22	$3,292.50	$429.72
2	General Services	2010	Ford	E150	Cargo Van	N/A	60	$19,821.70	$3,292.50	$435.00
3	Public Works	2009	Chevy	3500	Reg Cab Stake Bed	12ft stakebed w/ 2000lbs liftgate and mini light bar	60	$29,057.58	$13,592.54	$454.97
4	Public Works	2010	Ford	F250	Reg Cab Service Body	8ft service body w/ ladder rack and full lightbar package	60	$29,571.32	$7,015.66	$564.20
5	General Services	2010	Chevy	2500	Crew Cab Service Body	8ft service body w/ ladder rack and full lightbar package	60	$34,197.48	$13,186.88	$554.35
6	General Services	2010	Chevy	2500	Crew Cab Service Body	8ft service body w/ ladder rack and full lightbar package	60	$34,197.48	$13,186.88	$554.35
7	Public Works	2010	Ford	F250	Reg Cab Service Body	8ft service body w/ ladder rack and full lightbar package	60	$29,571.32	$7,015.66	$564.20
8	Public Works	2010	Ford	F250	Crew Cab Pickup	mini lightbar	60	$27,107.79	$7,652.21	$502.30
								$223,123.89	$68,234.83	$4,059.09

[1]Inclusive of cost on listed AME
[2]Exclusive of registration, Inclusive of tax
[3]Inclusive of Full Maintenance, Physical Damage Insurance, and Use Tax

Enterprise FM Trust will be the owner of the vehicles covered by this quote. Enterprise FM Trust will be the Lessor of such vehicles under Master Open-End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open-End (Equity) Lease Agreement with respect to such vehicles.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event that the Lessee fails or refuses to take delivery of the ordered vehicles.

LESSEE City of Compton

BY **TITLE** **Date**

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Long-term Annual Mileage Trend	Monthly Payment	Monthly Depr.	RBV @ Term
1	LA12K3	2008	Ford	Crown Victoria	001, 0	City Manager	E60	L	59	25,261	5,088	$550	$285	$4,492
2	LA12K4	2008	Ford	Crown Victoria	002, 0	City Manager	E60	L	59	16,203	2,264	$550	$285	$4,492
3	LA08K3	2008	Chevrolet	Impala	003, 0	Information Tech	E60	L	59	4,432	926	$397	$191	$5,160
4	LA9X95	2008	Dodge	Ram 1500	101, 0	Asphalt	E60	L	59	24,368	5,132	$410	$209	$3,918
5	LA14K1	2008	Dodge	Ram 2500	102, 0	Asphalt	E60	L	59	57,625	11,505	$464	$229	$5,339
6	LA02K5	2008	Dodge	Ram 2500	103, 0	Asphalt	E60	L	59	30,940	6,369	$452	$222	$5,180
7	LA9X93	2008	Chevrolet	Colorado	104, 0	Asphalt	E60	L	59	35,064	6,428	$357	$164	$4,673
8	LA03K4	2008	Dodge	Ram 3500 HD Chassis	105, 0	Concrete	E60	L	59	26,371	5,268	$599	$323	$5,085
9	LA03K2	2008	Dodge	Ram 3500 HD Chassis	106, 0	Concrete	E60	L	59	19,335	3,501	$609	$329	$5,191
10	LA02K6	2008	Dodge	Ram 2500	107, 0	Concrete	E60	L	59	41,170	8,468	$452	$222	$5,180
11	LA02K7	2008	Dodge	Ram 2500	108, 0	Concrete	E60	L	59	15,157	3,279	$452	$222	$5,180
12	LA12K6	2008	Chevrolet	Silverado 2500HD	109, 0	Concrete	E60	L	58	14,546	2,975	$411	$210	$5,189
13	LA02K3	2008	Chevrolet	Silverado 2500HD	110, 0	Concrete	E60	L	58	15,898	3,421	$469	$246	$6,087
14	LA02K4	2008	Chevrolet	Silverado 2500HD	111, 0	Concrete	E60	L	58	32,190	6,810	$469	$246	$6,087
15	LA9X94	2008	Chevrolet	Colorado	112, 0	Concrete	E60	L	59	17,487	3,593	$357	$164	$4,673
16	LA9X96	2008	Dodge	Ram 1500	113, 0	Public Works-Eng	E60	L	59	29,925	6,148	$410	$209	$3,918
17	LA10K2	2008	Chevrolet	Impala	114, 0	Public Works-Eng	E60	L	59	3,042	550	$397	$191	$5,160
18	LA11K1	2008	Chevrolet	Impala	115, 0	Public-Ops	E60	L	59	13,836	2,767	$397	$191	$5,160
19	LA08K9	2008	Chevrolet	Impala	116, 0	Public Wrks-pool	E60	L	59	11,619	2,509	$397	$191	$5,160
20	LA09K1	2008	Chevrolet	Impala	117, 0	Public Wrks-pool	E60	L	59	15,115	3,202	$397	$191	$5,160
21	LA9X97	2008	Dodge	Ram 1500	118, 0	React Crew	E60	L	59	20,429	4,170	$410	$209	$3,918
22	LA9X99	2008	Dodge	Ram 1500	119, 0	React Crew	E60	L	59	30,270	5,982	$468	$246	$4,605
23	LA02K9	2008	Dodge	Ram 2500	120, 0	React Crew	E60	L	59	38,329	7,891	$609	$303	$9,364
24	LA03K6	2008	Dodge	Ram 3500 HD Chassis	121, 0	Signs	E60	L	59	10,039	2,077	$609	$329	$5,191
25	LA15K3	2008	Chevrolet	Silverado 2500HD	122, 0	Street-Fleet	E60	L	59	27,576	5,927	$588	$326	$5,694
26	LA00K2	2008	Chevrolet	Silverado 2500HD	123, 0	Street-Fleet	E60	L	58	14,117	3,288	$411	$210	$5,189
27	LA13K2	2008	Dodge	Ram 2500	124, 0	Street-Medians	E60	L	59	35,358	7,278	$452	$222	$5,180
28	LA13K3	2008	Dodge	Ram 2500	125, 0	Street-Medians	E60	L	59	37,672	7,799	$452	$222	$5,180
29	LA15K8	2008	Chevrolet	Silverado 2500HD	126, 0	Street-Traffic	E60	L	58	16,514	3,567	$588	$315	$5,693
30	LA9X81	2008	Chevrolet	Colorado	127, 0	Street-Traffic	E60	L	59	14,683	2,577	$345	$157	$4,468
31	LA13K4	2008	Dodge	Ram 2500	128, 0	Tree Crew	E60	L	59	34,980	7,442	$452	$222	$5,180
32	LA9X82	2008	Chevrolet	Colorado	129, 0	Waste Water	E60	L	59	21,071	4,788	$345	$157	$4,468
33	LA18K1	2008	Ford	F-550 Chassis	130, 0	Public Works	E60	L	59	7,273	1,528	$763	$398	$2,652
34	LA18K2	2008	Ford	F-550 Chassis	131, 0	Public Works	E60	L	59	10,368	2,251	$763	$398	$2,652
35	LA19K8	2009	Ford	F-650	132, 0	Public Works	E60	L	58	4,180	888	$1,327	$751	$5,003
36	LA20K0	2009	Ford	F-650	133, 0	Public Works	E60	L	58	5,275	1,174	$1,327	$751	$5,003

#21.

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
1	LA12K3	$4,492	5,088	24	$187.17	$45.27	$232.44	$20.92	$48.44	$40.00	$341.80	$0.00	$400.00
2	LA12K4	$4,492	2,264	24	$187.17	$45.27	$232.44	$20.92	$48.44	$40.00	$341.80	$0.00	$400.00
3	LA08K3	$5,160	926	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
4	LA9X95	$3,918	5,132	24	$163.26	$44.15	$207.41	$18.67	$51.25	$40.00	$317.33	$0.00	$400.00
5	LA14K1	$5,339	11,505	24	$222.47	$46.93	$269.39	$24.25	$59.31	$40.00	$392.95	$0.00	$400.00
6	LA02K5	$5,180	6,369	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
7	LA9X93	$4,673	6,428	24	$194.72	$45.63	$240.35	$21.63	$47.07	$40.00	$349.05	$0.00	$400.00
8	LA03K4	$5,085	5,268	24	$211.88	$46.43	$258.31	$23.25	$64.05	$40.00	$385.61	$0.00	$400.00
9	LA03K2	$5,191	3,501	24	$216.30	$46.64	$262.94	$23.66	$64.05	$40.00	$390.65	$0.00	$400.00
10	LA02K6	$5,180	8,468	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
11	LA02K7	$5,180	3,279	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
12	LA12K6	$5,189	2,975	24	$216.22	$46.64	$262.85	$23.66	$57.94	$40.00	$384.45	$0.00	$400.00
13	LA02K3	$6,087	3,421	24	$253.64	$48.39	$302.03	$27.18	$59.31	$40.00	$428.52	$0.00	$400.00
14	LA02K4	$6,087	6,810	24	$253.64	$48.39	$302.03	$27.18	$59.31	$40.00	$428.52	$0.00	$400.00
15	LA9X94	$4,673	3,593	24	$194.72	$45.63	$240.35	$21.63	$47.07	$40.00	$349.05	$0.00	$400.00
16	LA9X96	$3,918	6,148	24	$163.26	$44.15	$207.41	$18.67	$51.25	$40.00	$317.33	$0.00	$400.00
17	LA10K2	$5,160	550	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
18	LA11K1	$5,160	2,767	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
19	LA08K9	$5,160	2,509	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
20	LA09K1	$5,160	3,202	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
21	LA9X97	$3,918	4,170	24	$163.26	$44.15	$207.41	$18.67	$51.25	$40.00	$317.33	$0.00	$400.00
22	LA9X99	$4,605	5,982	24	$191.89	$45.49	$237.39	$21.36	$52.63	$40.00	$351.38	$0.00	$400.00
23	LA02K9	$9,364	7,891	24	$390.17	$54.79	$444.96	$40.05	$59.31	$40.00	$584.31	$0.00	$400.00
24	LA03K6	$5,191	2,077	24	$216.30	$46.64	$262.94	$23.66	$64.05	$40.00	$390.65	$0.00	$400.00
25	LA15K3	$5,694	5,927	24	$237.24	$47.62	$284.87	$25.64	$59.31	$40.00	$409.81	$0.00	$400.00
26	LA00K2	$5,189	3,288	24	$216.22	$46.64	$262.85	$23.66	$57.94	$40.00	$384.45	$0.00	$400.00
27	LA13K2	$5,180	7,278	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
28	LA13K3	$5,180	7,799	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
29	LA15K8	$5,693	3,567	24	$237.21	$47.62	$284.83	$25.63	$59.31	$40.00	$409.78	$0.00	$400.00
30	LA9X81	$4,468	2,577	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
31	LA13K4	$5,180	7,442	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
32	LA9X82	$4,468	4,788	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
33	LA18K1	$2,652	1,528	24	$110.51	$41.68	$152.19	$13.70	$118.82	$40.00	$324.70	$0.00	$400.00
34	LA18K2	$2,652	2,251	24	$110.51	$41.68	$152.19	$13.70	$118.82	$40.00	$324.70	$0.00	$400.00
35	LA19K8	$5,003	888	24	$208.47	$46.27	$254.74	$22.93	$193.99	$40.00	$511.66	$0.00	$400.00
36	LA20K0	$5,003	1,174	24	$208.47	$46.27	$254.74	$22.93	$193.99	$40.00	$511.66	$0.00	$400.00

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Long-term Annual Mileage Trend	Monthly Payment	Monthly Depr.	RBV @ Term
37	LA19K9	2009	Ford	F-650	134, 0	Public Works	E60	L	58	7,191	1,467	$1,327	$751	$5,003
38	LA18K0	2008	Chevrolet	Express Cutaway	135, 0	Public Works	E60	L	59	11,907	1,429	$701	$346	$5,859
39	LA10K5	2008	Chevrolet	Impala	136, 0	Public Works	E60	L	59	13,043	3,297	$397	$191	$5,160
40	LA09K6	2008	Chevrolet	Impala	137, 0	Public Works	E60	L	59	7,779	1,429	$397	$191	$5,160
41	LA10K8	2008	Chevrolet	Impala	138, 0	Public Works	E60	L	59	15,639	2,166	$397	$191	$5,160
42	LA08K6	2008	Chevrolet	Impala	139, 0	Pool	E60	L	59	12,117	2,469	$397	$191	$5,160
43	LA03K3	2008	Dodge	Ram 3500 HD Chassis	201, 0	Water	E60	L	59	14,871	2,190	$528	$268	$5,160
44	LA13K8	2008	Dodge	Ram 1500	202, 0	Water	E60	L	59	13,441	2,768	$410	$209	$3,918
45	LA9X98	2008	Dodge	Ram 1500	203, 0	Water	E60	L	59	27,669	5,613	$410	$209	$3,918
46	LA03K1	2008	Dodge	Ram 3500	204, 0	Water	E60	L	59	32,548	5,638	$598	$298	$4,695
47	LA00K0	2008	Chevrolet	Silverado 2500HD	205, 0	Water	E60	L	58	34,074	6,569	$411	$210	$5,189
48	LA15K5	2008	Chevrolet	Silverado 2500HD	206, 0	Water	E60	L	59	26,400	5,415	$588	$326	$5,694
49	LA16K0	2008	Chevrolet	Silverado 2500HD	207, 0	Water	E60	L	58	28,644	5,646	$588	$315	$5,693
50	LA16K1	2008	Chevrolet	Silverado 2500HD	208, 0	Water	E60	L	58	22,505	4,574	$588	$315	$5,693
51	LA9X88	2008	Chevrolet	Colorado	209, 0	Water	E60	L	59	39,458	7,935	$345	$157	$4,468
52	LA9X83	2008	Chevrolet	Colorado	210, 0	Water	E60	L	59	25,390	5,086	$345	$157	$4,468
53	LA13K6	2008	Dodge	Ram 2500	211, 0	Water	E60	L	59	24,163	4,862	$452	$222	$5,180
54	LA13K7	2008	Dodge	Ram 2500	212, 0	Water	E60	L	59	13,781	2,882	$452	$222	$5,180
55	LA9X86	2008	Chevrolet	Colorado	213, 0	Water	E60	L	59	20,385	4,265	$345	$157	$4,468
56	LA9X84	2008	Chevrolet	Colorado	214, 0	Water	E60	L	59	36,569	7,298	$345	$157	$4,468
57	LA9X87	2008	Chevrolet	Colorado	215, 0	Water	E60	L	59	22,958	4,640	$345	$157	$4,468
58	LA9X85	2008	Chevrolet	Colorado	216, 0	Water	E60	L	59	17,054	3,707	$345	$157	$4,468
59	LA07K7	2008	Chevrolet	Impala	217, 0	Water	E60	L	59	8,302	1,690	$397	$191	$5,160
60	LA03K9	2008	Chevrolet	Express	301, 0	Parks & Rec	E60	L	58	47,996	9,940	$401	$187	$5,765
61	LA04K0	2008	Chevrolet	Express	302, 0	Parks & Rec	E60	L	58	12,567	2,299	$493	$245	$6,977
62	LA04K4	2008	Chevrolet	Express	303, 0	Parks & Rec	E60	L	58	13,123	3,085	$493	$245	$6,977
63	LA04K2	2008	Chevrolet	Express	304, 0	Parks & Rec	E60	L	58	12,602	2,659	$493	$245	$6,977
64	LA04K1	2008	Chevrolet	Express	305, 0	Parks & Rec	E60	L	58	22,807	4,888	$493	$245	$6,977
65	LA04K3	2008	Chevrolet	Express	306, 0	Parks & Rec	E60	L	58	17,815	3,627	$493	$245	$6,977
66	LA04K5	2008	Chevrolet	Express	307, 0	Parks & Rec	E60	L	58	10,833	2,519	$493	$245	$6,977
67	LA14K4	2008	Dodge	Ram 2500	308, 0	Parks Maint.	E60	L	59	32,230	6,356	$595	$307	$7,165
68	LA02K8	2008	Dodge	Ram 2500	309, 0	Parks Maint.	E60	L	59	30,658	6,140	$452	$222	$5,180
69	LA00K1	2008	Chevrolet	Silverado 2500HD	310, 0	Parks Maint.	E60	L	58	13,014	2,713	$411	$210	$5,189
70	LA15K4	2008	Chevrolet	Silverado 2500HD	311, 0	Parks Maint.	E60	L	59	27,670	5,756	$588	$326	$5,694
71	LA15K9	2008	Chevrolet	Silverado 2500HD	312, 0	Parks Maint.	E60	L	58	22,758	4,718	$588	$315	$5,693
72	LA15K6	2008	Chevrolet	Silverado 2500HD	313, 0	Parks Maint.	E60	L	59	28,312	5,546	$588	$326	$5,694

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
37	LA19K9	$5,003	1,467	24	$208.47	$46.27	$254.74	$22.93	$193.99	$40.00	$511.66	$0.00	$400.00
38	LA18K0	$5,859	1,429	24	$244.13	$47.94	$292.08	$26.29	$118.82	$40.00	$477.19	$0.00	$400.00
39	LA10K5	$5,160	3,297	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
40	LA09K6	$5,160	1,429	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
41	LA10K8	$5,160	2,166	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
42	LA08K6	$5,160	2,469	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
43	LA03K3	$5,160	2,190	24	$215.01	$46.58	$261.59	$23.54	$64.05	$40.00	$389.18	$0.00	$400.00
44	LA13K8	$3,918	2,768	24	$163.26	$44.15	$207.41	$18.67	$51.25	$40.00	$317.33	$0.00	$400.00
45	LA9X98	$3,918	5,613	24	$163.26	$44.15	$207.41	$18.67	$51.25	$40.00	$317.33	$0.00	$400.00
46	LA03K1	$4,695	5,638	24	$195.62	$45.67	$241.29	$21.72	$64.05	$40.00	$367.06	$0.00	$400.00
47	LA00K0	$5,189	6,569	24	$216.22	$46.64	$262.85	$23.66	$57.94	$40.00	$384.45	$0.00	$400.00
48	LA15K5	$5,694	5,415	24	$237.24	$47.62	$284.87	$25.64	$59.31	$40.00	$409.81	$0.00	$400.00
49	LA16K0	$5,693	5,646	24	$237.21	$47.62	$284.83	$25.63	$59.31	$40.00	$409.78	$0.00	$400.00
50	LA16K1	$5,693	4,574	24	$237.21	$47.62	$284.83	$25.63	$59.31	$40.00	$409.78	$0.00	$400.00
51	LA9X88	$4,468	7,935	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
52	LA9X83	$4,468	5,086	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
53	LA13K6	$5,180	4,862	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
54	LA13K7	$5,180	2,882	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
55	LA9X86	$4,468	4,265	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
56	LA9X84	$4,468	7,298	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
57	LA9X87	$4,468	4,640	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
58	LA9X85	$4,468	3,707	24	$186.16	$45.23	$231.38	$20.82	$47.07	$40.00	$339.28	$0.00	$400.00
59	LA07K7	$5,160	1,690	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
60	LA03K9	$5,765	9,940	24	$240.22	$47.76	$287.98	$25.92	$51.25	$40.00	$405.15	$0.00	$400.00
61	LA04K0	$6,977	2,299	24	$290.71	$50.13	$340.84	$30.68	$51.25	$40.00	$462.76	$0.00	$400.00
62	LA04K4	$6,977	3,085	24	$290.71	$50.13	$340.84	$30.68	$51.25	$40.00	$462.76	$0.00	$400.00
63	LA04K2	$6,977	2,659	24	$290.71	$50.13	$340.84	$30.68	$51.25	$40.00	$462.76	$0.00	$400.00
64	LA04K1	$6,977	4,888	24	$290.71	$50.13	$340.84	$30.68	$51.25	$40.00	$462.76	$0.00	$400.00
65	LA04K3	$6,977	3,627	24	$290.71	$50.13	$340.84	$30.68	$51.25	$40.00	$462.76	$0.00	$400.00
66	LA04K5	$6,977	2,519	24	$290.71	$50.13	$340.84	$30.68	$51.25	$40.00	$462.76	$0.00	$400.00
67	LA14K4	$7,165	6,356	24	$298.54	$50.49	$349.03	$31.41	$59.31	$40.00	$479.75	$0.00	$400.00
68	LA02K8	$5,180	6,140	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
69	LA00K1	$5,189	2,713	24	$216.22	$46.64	$262.85	$23.66	$57.94	$40.00	$384.45	$0.00	$400.00
70	LA15K4	$5,694	5,756	24	$237.24	$47.62	$284.87	$25.64	$59.31	$40.00	$409.81	$0.00	$400.00
71	LA15K9	$5,693	4,718	24	$237.21	$47.62	$284.83	$25.63	$59.31	$40.00	$409.78	$0.00	$400.00
72	LA15K6	$5,694	5,546	24	$237.24	$47.62	$284.87	$25.64	$59.31	$40.00	$409.81	$0.00	$400.00

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Long-term Annual Mileage Trend	Monthly Payment	Monthly Depr.	RBV @ Term
73	LA13K1	2008	Dodge	Ram 2500	314, 0	Parks Maint.	E60	L	59	30,217	6,041	$452	$222	$5,180
74	LA13K5	2008	Dodge	Ram 2500	315, 0	Parks Maint.	E60	L	59	37,918	7,779	$452	$222	$5,180
75	LA14K2	2008	Dodge	Ram 2500	316, 0	Parks Maint.	E60	L	59	41,357	8,395	$464	$229	$5,339
76	LA15K7	2008	Chevrolet	Silverado 2500HD	317, 0	Parks Maint.	E60	L	59	15,956	3,227	$588	$326	$5,694
77	LA14K3	2008	Dodge	Ram 2500	318, 0	Parks Maint.	E60	L	59	27,462	5,818	$464	$229	$5,339
78	LA11K8	2008	Chevrolet	Impala	319, 0	Parks Maint.	E60	L	59	18,769	4,274	$397	$191	$5,160
79	LA23K4	2008	Ford	F-550 Chassis	320, 0	Parks Maint.	E60	L	59	13,549	2,700	$763	$398	$2,652
80	LA03K8	2008	Chevrolet	Express	401, 0	General Services	E60	L	58	18,189	3,507	$401	$187	$5,765
81	LA03K7	2008	Chevrolet	Express	402, 0	General Services	E60	L	58	18,777	4,220	$401	$187	$5,767
82	LA14K5	2008	Dodge	Ram 2500	403, 0	General Services	E60	L	59	15,557	3,148	$595	$307	$7,165
83	LA03K0	2008	Dodge	Ram 2500	404, 0	General Services	E60	L	59	17,223	3,534	$609	$303	$9,364
84	LA12K9	2008	Dodge	Ram 2500	405, 0	General Services	E60	L	59	23,384	4,789	$609	$303	$9,364
85	LA13K0	2008	Dodge	Ram 2500	406, 0	General Services	E60	L	59	25,568	4,977	$609	$303	$9,364
86	LA08K4	2008	Chevrolet	Impala	407, 0	General Services	E60	L	59	27,459	5,684	$397	$191	$5,160
87	LA09K7	2008	Chevrolet	Impala	408, 0	General Services	E60	L	59	5,637	1,224	$397	$191	$5,160
88	LA9X35	2008	Dodge	Charger	501, 0	MLES	E60	L	59	9,532	1,868	$394	$186	$5,589
89	LA9X32	2008	Dodge	Charger	502, 0	MLES	E60	L	59	17,260	3,530	$394	$186	$5,589
90	LA9X34	2008	Dodge	Charger	503, 0	MLES	E60	L	59	6,581	1,276	$394	$186	$5,589
91	LA9X39	2008	Dodge	Charger	504, 0	MLES	E60	L	59	21,003	4,176	$394	$186	$5,589
92	LA9X38	2008	Dodge	Charger	505, 0	MLES	E60	L	59	19,947	3,844	$394	$186	$5,589
93	LA9X41	2008	Dodge	Charger	506, 0	MLES	E60	L	59	19,786	3,821	$394	$186	$5,589
94	LA9X37	2008	Dodge	Charger	507, 0	MLES	E60	L	59	14,477	2,933	$394	$186	$5,589
95	LA9X45	2008	Dodge	Charger	508, 0	MLES	E60	L	59	14,480	2,901	$394	$186	$5,589
96	LA9X44	2008	Dodge	Charger	509, 0	MLES	E60	L	59	14,161	2,994	$394	$186	$5,589
97	LA9X46	2008	Dodge	Charger	510, 0	MLES	E60	L	59	9,409	1,974	$394	$186	$5,589
98	LA9X30	2008	Dodge	Charger	511, 0	MLES	E60	L	59	15,272	3,588	$394	$186	$5,589
99	LA9X29	2008	Dodge	Charger	512, 0	MLES	E60	L	59	18,851	3,910	$394	$186	$5,589
100	LA9X40	2008	Dodge	Charger	513, 0	MLES	E60	L	59	20,495	4,402	$394	$186	$5,589
101	LA9X43	2008	Dodge	Charger	514, 0	MLES	E60	L	59	15,839	3,527	$394	$186	$5,589
102	LA9X31	2008	Dodge	Charger	515, 0	MLES	E60	L	59	14,588	3,148	$394	$186	$5,589
103	LA9X42	2008	Dodge	Charger	516, 0	MLES	E60	L	59	23,326	4,241	$394	$186	$5,589
104	LA9X36	2008	Dodge	Charger	517, 0	MLES	E60	L	59	23,847	4,812	$394	$186	$5,589
105	LA9X33	2008	Dodge	Charger	518, 0	MLES	E60	L	59	13,408	2,757	$394	$186	$5,589
106	LA11K0	2008	Chevrolet	Impala	519, 0	MLES	E60	L	59	8,123	1,458	$397	$191	$5,160
107	LA11K2	2008	Chevrolet	Impala	520, 0	MLES	E60	L	59	17,524	4,333	$397	$191	$5,160
108	LA11K3	2008	Chevrolet	Impala	521, 0	MLES	E60	L	59	14,434	3,340	$397	$191	$5,160

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
73	LA13K1	$5,180	6,041	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
74	LA13K5	$5,180	7,779	24	$215.84	$46.62	$262.45	$23.62	$59.31	$40.00	$385.39	$0.00	$400.00
75	LA14K2	$5,339	8,395	24	$222.47	$46.93	$269.39	$24.25	$59.31	$40.00	$392.95	$0.00	$400.00
76	LA15K7	$5,694	3,227	24	$237.24	$47.62	$284.87	$25.64	$59.31	$40.00	$409.81	$0.00	$400.00
77	LA14K3	$5,339	5,818	24	$222.47	$46.93	$269.39	$24.25	$59.31	$40.00	$392.95	$0.00	$400.00
78	LA11K8	$5,160	4,274	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
79	LA23K4	$2,652	2,700	24	$110.51	$41.68	$152.19	$13.70	$118.82	$40.00	$324.70	$0.00	$400.00
80	LA03K8	$5,765	3,507	24	$240.22	$47.76	$287.98	$25.92	$51.25	$40.00	$405.15	$0.00	$400.00
81	LA03K7	$5,767	4,220	24	$240.27	$47.76	$288.03	$25.92	$51.25	$40.00	$405.21	$0.00	$400.00
82	LA14K5	$7,165	3,148	24	$298.54	$50.49	$349.03	$31.41	$59.31	$40.00	$479.75	$0.00	$400.00
83	LA03K0	$9,364	3,534	24	$390.17	$54.79	$444.96	$40.05	$59.31	$40.00	$584.31	$0.00	$400.00
84	LA12K9	$9,364	4,789	24	$390.17	$54.79	$444.96	$40.05	$59.31	$40.00	$584.31	$0.00	$400.00
85	LA13K0	$9,364	4,977	24	$390.17	$54.79	$444.96	$40.05	$59.31	$40.00	$584.31	$0.00	$400.00
86	LA08K4	$5,160	5,684	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
87	LA09K7	$5,160	1,224	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
88	LA9X35	$5,589	1,868	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
89	LA9X32	$5,589	3,530	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
90	LA9X34	$5,589	1,276	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
91	LA9X39	$5,589	4,176	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
92	LA9X38	$5,589	3,844	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
93	LA9X41	$5,589	3,821	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
94	LA9X37	$5,589	2,933	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
95	LA9X45	$5,589	2,901	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
96	LA9X44	$5,589	2,994	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
97	LA9X46	$5,589	1,974	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
98	LA9X30	$5,589	3,588	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
99	LA9X29	$5,589	3,910	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
100	LA9X40	$5,589	4,402	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
101	LA9X43	$5,589	3,527	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
102	LA9X31	$5,589	3,148	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
103	LA9X42	$5,589	4,241	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
104	LA9X36	$5,589	4,812	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
105	LA9X33	$5,589	2,757	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
106	LA11K0	$5,160	1,458	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
107	LA11K2	$5,160	4,333	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
108	LA11K3	$5,160	3,340	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Long-term Annual Mileage Trend	Monthly Payment	Monthly Depr.	RBV @ Term
109	LA11K5	2008	Chevrolet	Impala	522, 0	MLES	E60	L	59	30,460	4,202	$397	$191	$5,160
110	LA08K0	2008	Chevrolet	Impala	523, 0	MLES	E60	L	59	10,633	2,248	$397	$191	$5,160
111	LA11K4	2008	Chevrolet	Impala	524, 0	MLES	E60	L	59	20,679	4,247	$397	$191	$5,160
112	LA11K7	2008	Chevrolet	Impala	525, 0	MLES	E60	L	59	7,264	1,579	$397	$191	$5,160
113	LA09K0	2008	Chevrolet	Impala	526, 0	MLES	E60	L	59	9,688	1,841	$397	$191	$5,160
114	LA09K3	2008	Chevrolet	Impala	527, 0	MLES	E60	L	59	16,171	3,419	$397	$191	$5,160
115	LA08K5	2008	Chevrolet	Impala	528, 0	MLES	E60	L	59	22,318	2,560	$397	$191	$5,160
116	LA10K3	2008	Chevrolet	Impala	529, 0	MLES	E60	L	59	14,744	1,791	$397	$191	$5,160
117	LA10K6	2008	Chevrolet	Impala	530, 0	MLES	E60	L	59	8,482	1,768	$397	$191	$5,160
118	LA08K1	2008	Chevrolet	Impala	531, 0	MLES	E60	L	59	12,764	2,576	$397	$191	$5,160
119	LA08K8	2008	Chevrolet	Impala	532, 0	MLES	E60	L	59	11,194	959	$397	$191	$5,160
120	LA09K8	2008	Chevrolet	Impala	533, 0	MLES	E60	L	59	8,827	1,622	$397	$191	$5,160
121	LA10K4	2008	Chevrolet	Impala	534, 0	MLES	E60	L	59	30,189	6,246	$397	$191	$5,160
122	LA11K6	2008	Chevrolet	Impala	535, 0	MLES	E60	L	59	6,884	1,335	$397	$191	$5,160
123	LA10K9	2008	Chevrolet	Impala	601, 0	Bldg & Safety	E60	L	59	22,060	4,536	$397	$191	$5,160
124	LA08K7	2008	Chevrolet	Impala	602, 0	Bldg & Safety	E60	L	59	83,053	16,575	$397	$191	$5,160
125	LA09K5	2008	Chevrolet	Impala	603, 0	Bldg & Safety	E60	L	59	22,367	4,496	$397	$191	$5,160
126	LA10K1	2008	Chevrolet	Impala	604, 0	Bldg & Safety	E60	L	59	19,226	3,902	$397	$191	$5,160
127	LA09K2	2008	Chevrolet	Impala	605, 0	Bldg & Safety	E60	L	59	19,523	4,129	$397	$191	$5,160
128	LA09K9	2008	Chevrolet	Impala	606, 0	Bldg & Safety	E60	L	59	5,273	1,163	$397	$191	$5,160
129	LA09K4	2008	Chevrolet	Impala	701, 0	Fire	E60	L	59	12,735	2,204	$397	$191	$5,160
130	LA08K2	2008	Chevrolet	Impala	702, 0	Fire	E60	L	59	15,421	2,994	$397	$191	$5,160
131	LA9X27	2008	Dodge	Charger	703, 0	Fire	E60	L	59	48,033	9,644	$394	$186	$5,589
132	LA9X28	2008	Dodge	Charger	704, 0	Fire	E60	L	59	96,357	19,888	$394	$186	$5,589
133	LA07K8	2008	Chevrolet	Impala	801, 0	CRA	E60	L	59	8,597	2,014	$397	$191	$5,160
134	LA07K9	2008	Chevrolet	Impala	802, 0	CRA	E60	L	59	2,493	464	$397	$191	$5,160
135	LA10K0	2008	Chevrolet	Impala	901		E60	L	59	9,221	1,855	$397	$191	$5,160
136	LA10K7	2008	Chevrolet	Impala	902, 0	Housing	E60	L	59	14,082	2,534	$397	$191	$5,160
											557,959	$63,028	$31,456	$724,547

#21.

#21.

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
109	LA11K5	$5,160	4,202	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
110	LA08K0	$5,160	2,248	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
111	LA11K4	$5,160	4,247	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
112	LA11K7	$5,160	1,579	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
113	LA09K0	$5,160	1,841	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
114	LA09K3	$5,160	3,419	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
115	LA08K5	$5,160	2,560	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
116	LA10K3	$5,160	1,791	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
117	LA10K6	$5,160	1,768	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
118	LA08K1	$5,160	2,576	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
119	LA08K8	$5,160	959	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
120	LA09K8	$5,160	1,622	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
121	LA10K4	$5,160	6,246	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
122	LA11K6	$5,160	1,335	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
123	LA10K9	$5,160	4,536	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
124	LA08K7	$5,160	16,575	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
125	LA09K5	$5,160	4,496	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
126	LA10K1	$5,160	3,902	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
127	LA09K2	$5,160	4,129	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
128	LA09K9	$5,160	1,163	24	$215.01	$46.58	$261.59	$23.54	$47.47	$40.00	$372.60	$0.00	$400.00
129	LA09K4	$5,160	2,204	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
130	LA08K2	$5,160	2,994	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
131	LA9X27	$5,589	9,644	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
132	LA9X28	$5,589	19,888	24	$232.86	$47.42	$280.27	$25.22	$47.07	$40.00	$392.57	$0.00	$400.00
133	LA07K8	$5,160	2,014	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
134	LA07K9	$5,160	464	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
135	LA10K0	$5,160	1,855	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
136	LA10K7	$5,160	2,534	24	$215.01	$46.58	$261.59	$23.54	$47.07	$40.00	$372.20	$0.00	$400.00
		$729,039					$36,764.55	$3,308.81	$7,704.32	$5,440.00	$53,217.68	$0.00	$54,400.00

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Monthly Payment	Monthly Depr.	RBV @ Term
1	LA12K3	2008	Ford	Crown Victoria	001, 0	City Manager	E60	L	59	25,261	$550	$285	$4,492
2	LA12K4	2008	Ford	Crown Victoria	002, 0	City Manager	E60	L	59	16,203	$550	$285	$4,492
3	LA08K3	2008	Chevrolet	Impala	003, 0	Information Tech	E60	L	59	4,432	$397	$191	$5,160
4	LA9X95	2008	Dodge	Ram 1500	101, 0	Asphalt	E60	L	59	24,368	$410	$209	$3,918
5	LA14K1	2008	Dodge	Ram 2500	102, 0	Asphalt	E60	L	59	57,625	$464	$229	$5,339
6	LA02K5	2008	Dodge	Ram 2500	103, 0	Asphalt	E60	L	59	30,940	$452	$222	$5,180
7	LA9X93	2008	Chevrolet	Colorado	104, 0	Asphalt	E60	L	59	35,064	$357	$164	$4,673
8	LA03K4	2008	Dodge	Ram 3500 HD Chassis	105, 0	Concrete	E60	L	59	26,371	$599	$323	$5,085
9	LA03K2	2008	Dodge	Ram 3500 HD Chassis	106, 0	Concrete	E60	L	59	19,335	$609	$329	$5,191
10	LA02K6	2008	Dodge	Ram 2500	107, 0	Concrete	E60	L	59	41,170	$452	$222	$5,180
11	LA02K7	2008	Dodge	Ram 2500	108, 0	Concrete	E60	L	59	15,157	$452	$222	$5,180
12	LA12K6	2008	Chevrolet	Silverado 2500HD	109, 0	Concrete	E60	L	58	14,546	$411	$210	$5,189
13	LA02K3	2008	Chevrolet	Silverado 2500HD	110, 0	Concrete	E60	L	58	15,898	$469	$246	$6,087
14	LA02K4	2008	Chevrolet	Silverado 2500HD	111, 0	Concrete	E60	L	58	32,190	$469	$246	$6,087
15	LA9X94	2008	Chevrolet	Colorado	112, 0	Concrete	E60	L	59	17,487	$357	$164	$4,673
16	LA9X96	2008	Dodge	Ram 1500	113, 0	Public Works-Eng	E60	L	59	29,925	$410	$209	$3,918
17	LA10K2	2008	Chevrolet	Impala	114, 0	Public Works-Eng	E60	L	59	3,042	$397	$191	$5,160
18	LA11K1	2008	Chevrolet	Impala	115, 0	Public-Ops	E60	L	59	13,836	$397	$191	$5,160
19	LA08K9	2008	Chevrolet	Impala	116, 0	Public Wrks-pool	E60	L	59	11,619	$397	$191	$5,160
20	LA09K1	2008	Chevrolet	Impala	117, 0	Public Wrks-pool	E60	L	59	15,115	$397	$191	$5,160
21	LA9X97	2008	Dodge	Ram 1500	118, 0	React Crew	E60	L	59	20,429	$410	$209	$3,918
22	LA9X99	2008	Dodge	Ram 1500	119, 0	React Crew	E60	L	59	30,270	$468	$246	$4,605
23	LA02K9	2008	Dodge	Ram 2500	120, 0	React Crew	E60	L	59	38,329	$609	$303	$9,364
24	LA03K6	2008	Dodge	Ram 3500 HD Chassis	121, 0	Signs	E60	L	59	10,039	$609	$329	$5,191
25	LA15K3	2008	Chevrolet	Silverado 2500HD	122, 0	Street-Fleet	E60	L	59	27,576	$588	$326	$5,694
26	LA00K2	2008	Chevrolet	Silverado 2500HD	123, 0	Street-Fleet	E60	L	58	14,117	$411	$210	$5,189
27	LA13K2	2008	Dodge	Ram 2500	124, 0	Street-Medians	E60	L	59	35,358	$452	$222	$5,180
28	LA13K3	2008	Dodge	Ram 2500	125, 0	Street-Medians	E60	L	59	37,672	$452	$222	$5,180
29	LA15K8	2008	Chevrolet	Silverado 2500HD	126, 0	Street-Traffic	E60	L	58	16,514	$588	$315	$5,693
30	LA9X81	2008	Chevrolet	Colorado	127, 0	Street-Traffic	E60	L	59	14,683	$345	$157	$4,468
31	LA13K4	2008	Dodge	Ram 2500	128, 0	Tree Crew	E60	L	59	34,980	$452	$222	$5,180
32	LA9X82	2008	Chevrolet	Colorado	129, 0	Waste Water	E60	L	59	21,071	$345	$157	$4,468
33	LA18K1	2008	Ford	F-550 Chassis	130, 0	Public Works	E60	L	59	7,273	$763	$398	$2,652
34	LA18K2	2008	Ford	F-550 Chassis	131, 0	Public Works	E60	L	59	10,368	$763	$398	$2,652
35	LA19K8	2009	Ford	F-650	132, 0	Public Works	E60	L	58	4,180	$1,327	$751	$5,003
36	LA20K0	2009	Ford	F-650	133, 0	Public Works	E60	L	58	5,275	$1,327	$751	$5,003

#21.

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
1	LA12K3	$4,492	5,088	36	$124.78	$45.16	$169.94	$15.29	$48.44	$40.00	$273.67	$0.00	$400.00
2	LA12K4	$4,492	2,264	36	$124.78	$45.16	$169.94	$15.29	$48.44	$40.00	$273.67	$0.00	$400.00
3	LA08K3	$5,160	926	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
4	LA9X95	$3,918	5,132	36	$108.84	$44.05	$152.89	$13.76	$51.25	$40.00	$257.90	$0.00	$400.00
5	LA14K1	$5,339	11,505	36	$148.31	$46.79	$195.10	$17.56	$59.31	$40.00	$311.97	$0.00	$400.00
6	LA02K5	$5,180	6,369	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
7	LA9X93	$4,673	6,428	36	$129.81	$45.51	$175.32	$15.78	$47.07	$40.00	$278.17	$0.00	$400.00
8	LA03K4	$5,085	5,268	36	$141.25	$46.30	$187.55	$16.88	$64.05	$40.00	$308.48	$0.00	$400.00
9	LA03K2	$5,191	3,501	36	$144.20	$46.50	$190.70	$17.16	$64.05	$40.00	$311.92	$0.00	$400.00
10	LA02K6	$5,180	8,468	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
11	LA02K7	$5,180	3,279	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
12	LA12K6	$5,189	2,975	36	$144.15	$46.50	$190.65	$17.16	$57.94	$40.00	$305.74	$0.00	$400.00
13	LA02K3	$6,087	3,421	36	$169.09	$48.23	$217.32	$19.56	$59.31	$40.00	$336.19	$0.00	$400.00
14	LA02K4	$6,087	6,810	36	$169.09	$48.23	$217.32	$19.56	$59.31	$40.00	$336.19	$0.00	$400.00
15	LA9X94	$4,673	3,593	36	$129.81	$45.51	$175.32	$15.78	$47.07	$40.00	$278.17	$0.00	$400.00
16	LA9X96	$3,918	6,148	36	$108.84	$44.05	$152.89	$13.76	$51.25	$40.00	$257.90	$0.00	$400.00
17	LA10K2	$5,160	550	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
18	LA11K1	$5,160	2,767	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
19	LA08K9	$5,160	2,509	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
20	LA09K1	$5,160	3,202	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
21	LA9X97	$3,918	4,170	36	$108.84	$44.05	$152.89	$13.76	$51.25	$40.00	$257.90	$0.00	$400.00
22	LA9X99	$4,605	5,982	36	$127.93	$45.37	$173.30	$15.60	$52.63	$40.00	$281.53	$0.00	$400.00
23	LA02K9	$9,364	7,891	36	$260.11	$54.55	$314.66	$28.32	$59.31	$40.00	$442.29	$0.00	$400.00
24	LA03K6	$5,191	2,077	36	$144.20	$46.50	$190.70	$17.16	$64.05	$40.00	$311.92	$0.00	$400.00
25	LA15K3	$5,694	5,927	36	$158.16	$47.47	$205.64	$18.51	$59.31	$40.00	$323.45	$0.00	$400.00
26	LA00K2	$5,189	3,288	36	$144.15	$46.50	$190.65	$17.16	$57.94	$40.00	$305.74	$0.00	$400.00
27	LA13K2	$5,180	7,278	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
28	LA13K3	$5,180	7,799	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
29	LA15K8	$5,693	3,567	36	$158.14	$47.47	$205.61	$18.51	$59.31	$40.00	$323.43	$0.00	$400.00
30	LA9X81	$4,468	2,577	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
31	LA13K4	$5,180	7,442	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
32	LA9X82	$4,468	4,788	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
33	LA18K1	$2,652	1,528	36	$73.67	$41.61	$115.28	$10.38	$118.82	$40.00	$284.48	$0.00	$400.00
34	LA18K2	$2,652	2,251	36	$73.67	$41.61	$115.28	$10.38	$118.82	$40.00	$284.48	$0.00	$400.00
35	LA19K8	$5,003	888	36	$138.98	$46.14	$185.12	$16.66	$193.99	$40.00	$435.77	$0.00	$400.00
36	LA20K0	$5,003	1,174	36	$138.98	$46.14	$185.12	$16.66	$193.99	$40.00	$435.77	$0.00	$400.00

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Monthly Payment	Monthly Depr.	RBV @ Term
37	LA19K9	2009	Ford	F-650	134, 0	Public Works	E60	L	58	7,191	$1,327	$751	$5,003
38	LA18K0	2008	Chevrolet	Express Cutaway	135, 0	Public Works	E60	L	59	11,907	$701	$346	$5,859
39	LA10K5	2008	Chevrolet	Impala	136, 0	Public Works	E60	L	59	13,043	$397	$191	$5,160
40	LA09K6	2008	Chevrolet	Impala	137, 0	Public Works	E60	L	59	7,779	$397	$191	$5,160
41	LA10K8	2008	Chevrolet	Impala	138, 0	Public Works	E60	L	59	15,639	$397	$191	$5,160
42	LA08K6	2008	Chevrolet	Impala	139, 0	Pool	E60	L	59	12,117	$397	$191	$5,160
43	LA03K3	2008	Dodge	Ram 3500 HD Chassis	201, 0	Water	E60	L	59	14,871	$528	$268	$5,160
44	LA13K8	2008	Dodge	Ram 1500	202, 0	Water	E60	L	59	13,441	$410	$209	$3,918
45	LA9X98	2008	Dodge	Ram 1500	203, 0	Water	E60	L	59	27,669	$410	$209	$3,918
46	LA03K1	2008	Dodge	Ram 3500	204, 0	Water	E60	L	59	32,548	$598	$298	$4,695
47	LA00K0	2008	Chevrolet	Silverado 2500HD	205, 0	Water	E60	L	58	34,074	$411	$210	$5,189
48	LA15K5	2008	Chevrolet	Silverado 2500HD	206, 0	Water	E60	L	59	26,400	$588	$326	$5,694
49	LA16K0	2008	Chevrolet	Silverado 2500HD	207, 0	Water	E60	L	58	28,644	$588	$315	$5,693
50	LA16K1	2008	Chevrolet	Silverado 2500HD	208, 0	Water	E60	L	58	22,505	$588	$315	$5,693
51	LA9X88	2008	Chevrolet	Colorado	209, 0	Water	E60	L	59	39,458	$345	$157	$4,468
52	LA9X83	2008	Chevrolet	Colorado	210, 0	Water	E60	L	59	25,390	$345	$157	$4,468
53	LA13K6	2008	Dodge	Ram 2500	211, 0	Water	E60	L	59	24,163	$452	$222	$5,180
54	LA13K7	2008	Dodge	Ram 2500	212, 0	Water	E60	L	59	13,781	$452	$222	$5,180
55	LA9X86	2008	Chevrolet	Colorado	213, 0	Water	E60	L	59	20,385	$345	$157	$4,468
56	LA9X84	2008	Chevrolet	Colorado	214, 0	Water	E60	L	59	36,569	$345	$157	$4,468
57	LA9X87	2008	Chevrolet	Colorado	215, 0	Water	E60	L	59	22,958	$345	$157	$4,468
58	LA9X85	2008	Chevrolet	Colorado	216, 0	Water	E60	L	59	17,054	$345	$157	$4,468
59	LA07K7	2008	Chevrolet	Impala	217, 0	Water	E60	L	59	8,302	$397	$191	$5,160
60	LA03K9	2008	Chevrolet	Express	301, 0	Parks & Rec	E60	L	58	47,996	$401	$187	$5,765
61	LA04K0	2008	Chevrolet	Express	302, 0	Parks & Rec	E60	L	58	12,567	$493	$245	$6,977
62	LA04K4	2008	Chevrolet	Express	303, 0	Parks & Rec	E60	L	58	13,123	$493	$245	$6,977
63	LA04K2	2008	Chevrolet	Express	304, 0	Parks & Rec	E60	L	58	12,602	$493	$245	$6,977
64	LA04K1	2008	Chevrolet	Express	305, 0	Parks & Rec	E60	L	58	22,807	$493	$245	$6,977
65	LA04K3	2008	Chevrolet	Express	306, 0	Parks & Rec	E60	L	58	17,815	$493	$245	$6,977
66	LA04K5	2008	Chevrolet	Express	307, 0	Parks & Rec	E60	L	58	10,833	$493	$245	$6,977
67	LA14K4	2008	Dodge	Ram 2500	308, 0	Parks Maint.	E60	L	59	32,230	$595	$307	$7,165
68	LA02K8	2008	Dodge	Ram 2500	309, 0	Parks Maint.	E60	L	59	30,658	$452	$222	$5,180
69	LA00K1	2008	Chevrolet	Silverado 2500HD	310, 0	Parks Maint.	E60	L	58	13,014	$411	$210	$5,189
70	LA15K4	2008	Chevrolet	Silverado 2500HD	311, 0	Parks Maint.	E60	L	59	27,670	$588	$326	$5,694
71	LA15K9	2008	Chevrolet	Silverado 2500HD	312, 0	Parks Maint.	E60	L	58	22,758	$588	$315	$5,693
72	LA15K6	2008	Chevrolet	Silverado 2500HD	313, 0	Parks Maint.	E60	L	59	28,312	$588	$326	$5,694

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
37	LA19K9	$5,003	1,467	36	$138.98	$46.14	$185.12	$16.66	$193.99	$40.00	$435.77	$0.00	$400.00
38	LA18K0	$5,859	1,429	36	$162.76	$47.79	$210.55	$18.95	$118.82	$40.00	$388.32	$0.00	$400.00
39	LA10K5	$5,160	3,297	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
40	LA09K6	$5,160	1,429	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
41	LA10K8	$5,160	2,166	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
42	LA08K6	$5,160	2,469	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
43	LA03K3	$5,160	2,190	36	$143.34	$46.44	$189.78	$17.08	$64.05	$40.00	$310.91	$0.00	$400.00
44	LA13K8	$3,918	2,768	36	$108.84	$44.05	$152.89	$13.76	$51.25	$40.00	$257.90	$0.00	$400.00
45	LA9X98	$3,918	5,613	36	$108.84	$44.05	$152.89	$13.76	$51.25	$40.00	$257.90	$0.00	$400.00
46	LA03K1	$4,695	5,638	36	$130.42	$45.55	$175.96	$15.84	$64.05	$40.00	$295.85	$0.00	$400.00
47	LA00K0	$5,189	6,569	36	$144.15	$46.50	$190.65	$17.16	$57.94	$40.00	$305.74	$0.00	$400.00
48	LA15K5	$5,694	5,415	36	$158.16	$47.47	$205.64	$18.51	$59.31	$40.00	$323.45	$0.00	$400.00
49	LA16K0	$5,693	5,646	36	$158.14	$47.47	$205.61	$18.51	$59.31	$40.00	$323.43	$0.00	$400.00
50	LA16K1	$5,693	4,574	36	$158.14	$47.47	$205.61	$18.51	$59.31	$40.00	$323.43	$0.00	$400.00
51	LA9X88	$4,468	7,935	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
52	LA9X83	$4,468	5,086	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
53	LA13K6	$5,180	4,862	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
54	LA13K7	$5,180	2,882	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
55	LA9X86	$4,468	4,265	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
56	LA9X84	$4,468	7,298	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
57	LA9X87	$4,468	4,640	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
58	LA9X85	$4,468	3,707	36	$124.11	$45.11	$169.21	$15.23	$47.07	$40.00	$271.51	$0.00	$400.00
59	LA07K7	$5,160	1,690	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
60	LA03K9	$5,765	9,940	36	$160.15	$47.61	$207.76	$18.70	$51.25	$40.00	$317.71	$0.00	$400.00
61	LA04K0	$6,977	2,299	36	$193.81	$49.95	$243.75	$21.94	$51.25	$40.00	$356.94	$0.00	$400.00
62	LA04K4	$6,977	3,085	36	$193.81	$49.95	$243.75	$21.94	$51.25	$40.00	$356.94	$0.00	$400.00
63	LA04K2	$6,977	2,659	36	$193.81	$49.95	$243.75	$21.94	$51.25	$40.00	$356.94	$0.00	$400.00
64	LA04K1	$6,977	4,888	36	$193.81	$49.95	$243.75	$21.94	$51.25	$40.00	$356.94	$0.00	$400.00
65	LA04K3	$6,977	3,627	36	$193.81	$49.95	$243.75	$21.94	$51.25	$40.00	$356.94	$0.00	$400.00
66	LA04K5	$6,977	2,519	36	$193.81	$49.95	$243.75	$21.94	$51.25	$40.00	$356.94	$0.00	$400.00
67	LA14K4	$7,165	6,356	36	$199.03	$50.31	$249.33	$22.44	$59.31	$40.00	$371.08	$0.00	$400.00
68	LA02K8	$5,180	6,140	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
69	LA00K1	$5,189	2,713	36	$144.15	$46.50	$190.65	$17.16	$57.94	$40.00	$305.74	$0.00	$400.00
70	LA15K4	$5,694	5,756	36	$158.16	$47.47	$205.64	$18.51	$59.31	$40.00	$323.45	$0.00	$400.00
71	LA15K9	$5,693	4,718	36	$158.14	$47.47	$205.61	$18.51	$59.31	$40.00	$323.43	$0.00	$400.00
72	LA15K6	$5,694	5,546	36	$158.16	$47.47	$205.64	$18.51	$59.31	$40.00	$323.45	$0.00	$400.00

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Monthly Payment	Monthly Depr.	RBV @ Term
73	LA13K1	2008	Dodge	Ram 2500	314, 0	Parks Maint.	E60	L	59	30,217	$452	$222	$5,180
74	LA13K5	2008	Dodge	Ram 2500	315, 0	Parks Maint.	E60	L	59	37,918	$452	$222	$5,180
75	LA14K2	2008	Dodge	Ram 2500	316, 0	Parks Maint.	E60	L	59	41,357	$464	$229	$5,339
76	LA15K7	2008	Chevrolet	Silverado 2500HD	317, 0	Parks Maint.	E60	L	59	15,956	$588	$326	$5,694
77	LA14K3	2008	Dodge	Ram 2500	318, 0	Parks Maint.	E60	L	59	27,462	$464	$229	$5,339
78	LA11K8	2008	Chevrolet	Impala	319, 0	Parks Maint.	E60	L	59	18,769	$397	$191	$5,160
79	LA23K4	2008	Ford	F-550 Chassis	320, 0	Parks Maint.	E60	L	59	13,549	$763	$398	$2,652
80	LA03K8	2008	Chevrolet	Express	401, 0	General Services	E60	L	58	18,189	$401	$187	$5,765
81	LA03K7	2008	Chevrolet	Express	402, 0	General Services	E60	L	58	18,777	$401	$187	$5,767
82	LA14K5	2008	Dodge	Ram 2500	403, 0	General Services	E60	L	59	15,557	$595	$307	$7,165
83	LA03K0	2008	Dodge	Ram 2500	404, 0	General Services	E60	L	59	17,223	$609	$303	$9,364
84	LA12K9	2008	Dodge	Ram 2500	405, 0	General Services	E60	L	59	23,384	$609	$303	$9,364
85	LA13K0	2008	Dodge	Ram 2500	406, 0	General Services	E60	L	59	25,568	$609	$303	$9,364
86	LA08K4	2008	Chevrolet	Impala	407, 0	General Services	E60	L	59	27,459	$397	$191	$5,160
87	LA09K7	2008	Chevrolet	Impala	408, 0	General Services	E60	L	59	5,637	$397	$191	$5,160
88	LA9X35	2008	Dodge	Charger	501, 0	MLES	E60	L	59	9,532	$394	$186	$5,589
89	LA9X32	2008	Dodge	Charger	502, 0	MLES	E60	L	59	17,260	$394	$186	$5,589
90	LA9X34	2008	Dodge	Charger	503, 0	MLES	E60	L	59	6,581	$394	$186	$5,589
91	LA9X39	2008	Dodge	Charger	504, 0	MLES	E60	L	59	21,003	$394	$186	$5,589
92	LA9X38	2008	Dodge	Charger	505, 0	MLES	E60	L	59	19,947	$394	$186	$5,589
93	LA9X41	2008	Dodge	Charger	506, 0	MLES	E60	L	59	19,786	$394	$186	$5,589
94	LA9X37	2008	Dodge	Charger	507, 0	MLES	E60	L	59	14,477	$394	$186	$5,589
95	LA9X45	2008	Dodge	Charger	508, 0	MLES	E60	L	59	14,480	$394	$186	$5,589
96	LA9X44	2008	Dodge	Charger	509, 0	MLES	E60	L	59	14,161	$394	$186	$5,589
97	LA9X46	2008	Dodge	Charger	510, 0	MLES	E60	L	59	9,409	$394	$186	$5,589
98	LA9X30	2008	Dodge	Charger	511, 0	MLES	E60	L	59	15,272	$394	$186	$5,589
99	LA9X29	2008	Dodge	Charger	512, 0	MLES	E60	L	59	18,851	$394	$186	$5,589
100	LA9X40	2008	Dodge	Charger	513, 0	MLES	E60	L	59	20,495	$394	$186	$5,589
101	LA9X43	2008	Dodge	Charger	514, 0	MLES	E60	L	59	15,839	$394	$186	$5,589
102	LA9X31	2008	Dodge	Charger	515, 0	MLES	E60	L	59	14,588	$394	$186	$5,589
103	LA9X42	2008	Dodge	Charger	516, 0	MLES	E60	L	59	23,326	$394	$186	$5,589
104	LA9X36	2008	Dodge	Charger	517, 0	MLES	E60	L	59	23,847	$394	$186	$5,589
105	LA9X33	2008	Dodge	Charger	518, 0	MLES	E60	L	59	13,408	$394	$186	$5,589
106	LA11K0	2008	Chevrolet	Impala	519, 0	MLES	E60	L	59	8,123	$397	$191	$5,160
107	LA11K2	2008	Chevrolet	Impala	520, 0	MLES	E60	L	59	17,524	$397	$191	$5,160
108	LA11K3	2008	Chevrolet	Impala	521, 0	MLES	E60	L	59	14,434	$397	$191	$5,160

#21.

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
73	LA13K1	$5,180	6,041	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
74	LA13K5	$5,180	7,779	36	$143.89	$46.48	$190.37	$17.13	$59.31	$40.00	$306.82	$0.00	$400.00
75	LA14K2	$5,339	8,395	36	$148.31	$46.79	$195.10	$17.56	$59.31	$40.00	$311.97	$0.00	$400.00
76	LA15K7	$5,694	3,227	36	$158.16	$47.47	$205.64	$18.51	$59.31	$40.00	$323.45	$0.00	$400.00
77	LA14K3	$5,339	5,818	36	$148.31	$46.79	$195.10	$17.56	$59.31	$40.00	$311.97	$0.00	$400.00
78	LA11K8	$5,160	4,274	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
79	LA23K4	$2,652	2,700	36	$73.67	$41.61	$115.28	$10.38	$118.82	$40.00	$284.48	$0.00	$400.00
80	LA03K8	$5,765	3,507	36	$160.15	$47.61	$207.76	$18.70	$51.25	$40.00	$317.71	$0.00	$400.00
81	LA03K7	$5,767	4,220	36	$160.18	$47.61	$207.79	$18.70	$51.25	$40.00	$317.75	$0.00	$400.00
82	LA14K5	$7,165	3,148	36	$199.03	$50.31	$249.33	$22.44	$59.31	$40.00	$371.08	$0.00	$400.00
83	LA03K0	$9,364	3,534	36	$260.11	$54.55	$314.66	$28.32	$59.31	$40.00	$442.29	$0.00	$400.00
84	LA12K9	$9,364	4,789	36	$260.11	$54.55	$314.66	$28.32	$59.31	$40.00	$442.29	$0.00	$400.00
85	LA13K0	$9,364	4,977	36	$260.11	$54.55	$314.66	$28.32	$59.31	$40.00	$442.29	$0.00	$400.00
86	LA08K4	$5,160	5,684	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
87	LA09K7	$5,160	1,224	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
88	LA9X35	$5,589	1,868	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
89	LA9X32	$5,589	3,530	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
90	LA9X34	$5,589	1,276	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
91	LA9X39	$5,589	4,176	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
92	LA9X38	$5,589	3,844	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
93	LA9X41	$5,589	3,821	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
94	LA9X37	$5,589	2,933	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
95	LA9X45	$5,589	2,901	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
96	LA9X44	$5,589	2,994	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
97	LA9X46	$5,589	1,974	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
98	LA9X30	$5,589	3,588	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
99	LA9X29	$5,589	3,910	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
100	LA9X40	$5,589	4,402	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
101	LA9X43	$5,589	3,527	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
102	LA9X31	$5,589	3,148	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
103	LA9X42	$5,589	4,241	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
104	LA9X36	$5,589	4,812	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
105	LA9X33	$5,589	2,757	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
106	LA11K0	$5,160	1,458	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
107	LA11K2	$5,160	4,333	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
108	LA11K3	$5,160	3,340	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00

	EFM Unit ID	Yr	Make	Model	Driver Name	Cust Unit ID	LTT	T	Months in Service	Estimated Mileage	Monthly Payment	Monthly Depr.	RBV @ Term
109	LA11K5	2008	Chevrolet	Impala	522, 0	MLES	E60	L	59	30,460	$397	$191	$5,160
110	LA08K0	2008	Chevrolet	Impala	523, 0	MLES	E60	L	59	10,633	$397	$191	$5,160
111	LA11K4	2008	Chevrolet	Impala	524, 0	MLES	E60	L	59	20,679	$397	$191	$5,160
112	LA11K7	2008	Chevrolet	Impala	525, 0	MLES	E60	L	59	7,264	$397	$191	$5,160
113	LA09K0	2008	Chevrolet	Impala	526, 0	MLES	E60	L	59	9,688	$397	$191	$5,160
114	LA09K3	2008	Chevrolet	Impala	527, 0	MLES	E60	L	59	16,171	$397	$191	$5,160
115	LA08K5	2008	Chevrolet	Impala	528, 0	MLES	E60	L	59	22,318	$397	$191	$5,160
116	LA10K3	2008	Chevrolet	Impala	529, 0	MLES	E60	L	59	14,744	$397	$191	$5,160
117	LA10K6	2008	Chevrolet	Impala	530, 0	MLES	E60	L	59	8,482	$397	$191	$5,160
118	LA08K1	2008	Chevrolet	Impala	531, 0	MLES	E60	L	59	12,764	$397	$191	$5,160
119	LA08K8	2008	Chevrolet	Impala	532, 0	MLES	E60	L	59	11,194	$397	$191	$5,160
120	LA09K8	2008	Chevrolet	Impala	533, 0	MLES	E60	L	59	8,827	$397	$191	$5,160
121	LA10K4	2008	Chevrolet	Impala	534, 0	MLES	E60	L	59	30,189	$397	$191	$5,160
122	LA11K6	2008	Chevrolet	Impala	535, 0	MLES	E60	L	59	6,884	$397	$191	$5,160
123	LA10K9	2008	Chevrolet	Impala	601, 0	Bldg & Safety	E60	L	59	22,060	$397	$191	$5,160
124	LA08K7	2008	Chevrolet	Impala	602, 0	Bldg & Safety	E60	L	59	83,053	$397	$191	$5,160
125	LA09K5	2008	Chevrolet	Impala	603, 0	Bldg & Safety	E60	L	59	22,367	$397	$191	$5,160
126	LA10K1	2008	Chevrolet	Impala	604, 0	Bldg & Safety	E60	L	59	19,226	$397	$191	$5,160
127	LA09K2	2008	Chevrolet	Impala	605, 0	Bldg & Safety	E60	L	59	19,523	$397	$191	$5,160
128	LA09K9	2008	Chevrolet	Impala	606, 0	Bldg & Safety	E60	L	59	5,273	$397	$191	$5,160
129	LA09K4	2008	Chevrolet	Impala	701, 0	Fire	E60	L	59	12,735	$397	$191	$5,160
130	LA08K2	2008	Chevrolet	Impala	702, 0	Fire	E60	L	59	15,421	$397	$191	$5,160
131	LA9X27	2008	Dodge	Charger	703, 0	Fire	E60	L	59	48,033	$394	$186	$5,589
132	LA9X28	2008	Dodge	Charger	704, 0	Fire	E60	L	59	96,357	$394	$186	$5,589
133	LA07K8	2008	Chevrolet	Impala	801, 0	CRA	E60	L	59	8,597	$397	$191	$5,160
134	LA07K9	2008	Chevrolet	Impala	802, 0	CRA	E60	L	59	2,493	$397	$191	$5,160
135	LA10K0	2008	Chevrolet	Impala	901		E60	L	59	9,221	$397	$191	$5,160
136	LA10K7	2008	Chevrolet	Impala	902, 0	Housing	E60	L	59	14,082	$397	$191	$5,160
											$63,028	$31,456	$729,039

	EFM Unit ID	Delivered Cost	Annual Mileage	Term	Monthly Depr.	Monthly Lease Charge	Base Monthly Payment	Monthly Use Tax (9%)	Full Maintenance	Physical Damage	Monthly Total	RBV @ Term	Service Charge
109	LA11K5	$5,160	4,202	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
110	LA08K0	$5,160	2,248	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
111	LA11K4	$5,160	4,247	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
112	LA11K7	$5,160	1,579	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
113	LA09K0	$5,160	1,841	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
114	LA09K3	$5,160	3,419	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
115	LA08K5	$5,160	2,560	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
116	LA10K3	$5,160	1,791	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
117	LA10K6	$5,160	1,768	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
118	LA08K1	$5,160	2,576	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
119	LA08K8	$5,160	959	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
120	LA09K8	$5,160	1,622	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
121	LA10K4	$5,160	6,246	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
122	LA11K6	$5,160	1,335	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
123	LA10K9	$5,160	4,536	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
124	LA08K7	$5,160	16,575	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
125	LA09K5	$5,160	4,496	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
126	LA10K1	$5,160	3,902	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
127	LA09K2	$5,160	4,129	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
128	LA09K9	$5,160	1,163	36	$143.34	$46.44	$189.79	$17.08	$47.47	$40.00	$294.34	$0.00	$400.00
129	LA09K4	$5,160	2,204	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
130	LA08K2	$5,160	2,994	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
131	LA9X27	$5,589	9,644	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
132	LA9X28	$5,589	19,888	36	$155.24	$47.27	$202.51	$18.23	$47.07	$40.00	$307.80	$0.00	$400.00
133	LA07K8	$5,160	2,014	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
134	LA07K9	$5,160	464	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
135	LA10K0	$5,160	1,855	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
136	LA10K7	$5,160	2,534	36	$143.34	$46.44	$189.79	$17.08	$47.07	$40.00	$293.94	$0.00	$400.00
		$729,039					$26,620.01	$2,395.80	$7,704.32	$5,440.00	$42,160.14	$0.00	$54,400.00

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **General Services**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXERCISE AN OPTION TO PURCHASE EXISTING CITY VEHICLES LEASED FROM ENTERPRISE FLEET SERVICES**

Van Wilson	**7/18/2013 6:15:42 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Craig Cornwell	**7/18/2013 6:30:39 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/18/2013 6:27:40 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**7/18/2013 6:16:20 PM**
CITY MANAGER	DATE

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

July 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

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

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE AGREEMENT AND ISSUE A PURCHASE ORDER WITH CLEANSTREET SWEEPING SERVICES FOR CITYWIDE STREET SWEEPING SERVICES**

SUMMARY

This Resolution authorizes the City Manager to renew the agreement with CleanStreet Sweeping Services ("CleanStreet") for on-call citywide street sweeping services for a 3-month period (7/1/13 – 9/30/13) and issue a purchase order.

BACKGROUND

On December 11, 2012, pursuant to Resolution No. 23,662, City Council authorized the City Manager to enter into an agreement and issue a purchase order to CleanStreet for on-call citywide street sweeping services in the amount of $200,000 (Two Hundred Thousand Dollars).

Due to staffing issues as well as mechanical issues with the City's street sweepers, the City has had to utilize the services of CleanStreet in order to continue to provide street sweeping services throughout the City. The funds designated for these services were expended prior to the end of Fiscal Year 2012-2013.

CleanStreet currently provides its services on "as-needed" basis and as a back up when the City's street sweepers are being serviced, inoperable, or staff shortage for any other period of time that may impact the day-to-day services.

CleanStreet has provided good service to the City of Compton. The service includes sweeping all paved streets, cross-gutters and public parking lots, in addition to designated alleys. CleanStreet continues to provide street sweeping services to the City on an as needed basis at a cost of $90 per hour, per street sweeper.

The Department is in the process of preparing a Request for Proposal (RFP) for street sweeping services. Therefore, staff is requesting to continue using the services of CleanStreet from July 1, 2013 - September 30, 2013. This would allow staff time to complete the RFP process.

STATEMENT OF THE ISSUE

The Public Works Department would like to continue to utilize CleanStreet services. Due to funds expended exceeding the $25,000 threshold, authorization from City Council is required.

FISCAL IMPACT

The funds are available in the Public Works Department 2013-2014 budget in Account No. 2502-720-000-4262 (Other Professional Services) in an amount not to exceed $100,000 (One Hundred Thousand Dollars). The balance in the account as of this writing is $273,297.19.

ALTERNATIVE

The alternative is the inability to utilize CleanStreet services. The City will be unable to provide current levels of service for the City of Compton when City street sweepers are being serviced, inoperable, or staff shortages.

RECOMMENDATION

Staff recommends the adoption of the attached resolution authorizing the City Manager to renew the agreement and issue a purchase order to CleanStreet for citywide street sweeping services.

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

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

GHD/GK/RC

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE AGREEMENT AND ISSUE A PURCHASE ORDER TO CLEANSTREET SWEEPING SERVICES FOR CITYWIDE STREET SWEEPING SERVICES

WHEREAS due to staffing and mechanical issues with the City's street sweepers, the City has had to utilize the services of CleanStreet Sweeping Services ("CleanStreet") in order to continue to provide street sweeping services throughout the City; and

WHEREAS, CleanStreet services is currently being used on as "as-needed" basis and as a back-up when the City's street sweepers are being serviced, inoperable, or a staff shortage for any period of time that may impact the day-to-day services; and

WHEREAS, the Public Works Department is requesting that the City Manager be authorized to renew the agreement and issue a purchase order to CleanStreet for citywide street sweeping services from July 1, 2013 - September 30, 2013 at a rate of $90 per hour, per street sweeper; and

WHEREAS, the City desires to remain compliant with the NPDES permit for trash removal compliance from the storm water system which will alleviate the need for sweeper maintenance and ensures street sweeping is provided in a timely manner; and

WHEREAS, funds in the amount $100,000 are available in the Public Works Department's Fiscal Year 2013-2014 budget in Account No. 2502-720-000-4269 (Other Contract Services).

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

SECTION 1. That the City Manager is authorized to renew the agreement with CleanStreet Sweeping Services to provide citywide street sweeping services for a term of 3 months (7/1/13 – 9/30/13).

SECTION 2. That a purchase order in the amount of $100,000.00 is authorized to be purchased to CleanStreet Sweeping Services.

SECTION 3. That funds in the amount of $100,000 are available in the Public Works Department's Fiscal Year 2013-2014 budget in Account No. 2502-720-000-4269.

SECTION 4. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Attorney, City Clerk and Public Works and Municipal Utilities Department.

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

ADOPTED this ____ day of _____, 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 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

SERVICES AGREEMENT BETWEEN
THE CITY OF COMPTON
AND
CLEANSTREET SWEEPING SERVICES

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 **CLEANSTREET SWEEPING SERVICES,** (hereinafter referred to as "**CONTRACTOR")** located at 1937 West 169th Street, Gardena, California 90247, pursuant to Resolution No. _____ adopted July ___, 2013.

AGREEMENT:

That the **CITY** and **CONTRACTOR**, for the consideration, terms and conditions herein described, mutually agree as follows:

1. SERVICES TO BE PERFORMED BY CONTRACTOR:

CONTRACTOR shall perform, in a professional manner, everything required to be performed, shall provide and furnish all the labor, materials, necessary tools, expendable equipment and all utility and transportation services for the provision of Citywide street sweeping services, which shall include, but not be limited to: street sweeping services on designated arterial (major), collector, commercial, residential, (raised median curbs and 100% of all painted median surfaces), and industrial streets. Alleys, cul-de-sacs, street center lines and traffic signal island curbs, street cross and slotted gutter, and City owned parking lots (including cleaning behind parking bumpers) are included.

Except as otherwise agreed, **CONTRACTOR** agrees to perform all the said work and furnish all the said materials at its own cost and expense, as are necessary to complete in a good worker-like and substantial manner and to the satisfaction of the **CITY,** the work herein set forth.

CONTRACTOR shall bear all costs associated with this work, including, but not limited to, all professional, technical, clerical services, materials, tools, equipment, transportation, telephone, etc., used by **CONTRACTOR** in connection with this work.

CONTRACTOR shall utilize **Alternative-Fueled Vehicles**. All vehicles used to provide street sweeping services must not receive power by gasoline or diesel fuel and emit hydrocarbon, carbon monoxide, or nitrogen oxide.

2. COMPENSATION:

The method of payment for the services rendered pursuant to this Agreement shall be based on a fee-for-services basis, billable at a rate of **$90 per hour**. It is understood and agreed between the parties that the maximum compensation payable for the services to be provided by the **CONTRACTOR** during the term of this Agreement shall be limited to a not-to-exceed amount of **One Hundred Thousand Dollars ($100,000.00).**

The total sum paid the **CONTRACTOR** will include compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the **CONTRACTOR**, unless there is a change in the scope of the services or the scope of the project. In the instance of a change in the scope of services or scope of the project, adjustment to the compensation may be negotiated between the **CONTRACTOR** and the **CITY**. Adjustment in the compensation will not be effective until authorized and approved by contract amendment**.**

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the **CONTRACTOR**. If **CONTRACTOR** fails to perform the required services according to schedule or other provisions of this Agreement, the **CITY** shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

CONTRACTOR shall be reimbursed within thirty (30) days, or as promptly as fiscal procedures may permit, upon receipt by the **CITY** of itemized and detailed invoices for services completed. Invoices shall be submitted no later than 45 calendar days after the performance of work for which the **CONTRACTOR** is billing. Invoices shall be delivered or mailed to the Director of the Public Works Department at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

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

In the event of termination, the **CONTRACTOR** shall be entitled to compensation for the undisputed reasonable value of services performed to the effective date of termination; provided, however, that the **CITY** may condition payment of such compensation upon the **CONTRACTOR's** delivery to the **CITY** of any and all **CITY** property, documents, reports, records, materials and work product associated with the performance of this Agreement.

3. TERM OF AGREEMENT:

The term of this Agreement shall be for a three (3) month period, commencing July 1, 2013 through September 30, 2013, unless terminated sooner as provided herein.

4. INDEPENDENT CONTRACTOR STATUS:

CONTRACTOR, its officers, employees, subcontractors, agents and volunteers (collectively hereinafter the "Contractor"), is a wholly independent Contractor and not an officer, employee, subcontractor or agent of the **CITY**. Neither the **CITY** nor any of its officers, employees, agents or volunteers shall have any control over the conduct of the **CONTRACTOR**, except as expressly set forth in this Agreement. **CONTRACTOR** expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that **CONTRACTOR** shall not at any time or in any manner, represent that **CONTRACTOR** is in any manner officers, employees, agents or volunteers of the **CITY**. **CONTRACTOR** shall obtain no rights to retirement, health care or any other benefit that accrue to **CITY** officials, officers, or employees. **CONTRACTOR** expressly waives any claim to such rights.

5. SUCCESSORS, ASSIGNMENT AND DELEGATION:

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

6. NONDISCRIMINATORY EMPLOYMENT PRACTICES:

During the performance of this Agreement, the **CONTRACTOR** agrees not to discriminate against any employee or applicant for employment because of race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. **CONTRACTOR** will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The **CONTRACTOR** agrees to post in conspicuous places, available to employees, applicants and subcontractors for employment, notices setting forth the provisions of this non-discrimination clause.

In the event of the **Contractor's** non-compliance with the non-discrimination clause of this Agreement, this Agreement may be immediately canceled, terminated or suspended in whole or in part.

7. INDEMNIFICATION:

CONTRACTOR shall indemnify and save harmless the **CITY**, its officials, officers, employees, agents and volunteers (collectively hereinafter the "City"), against any and all damages to property or injuries to or death of any person or persons, including property and employees or agents of the **CITY** and shall defend, indemnify and save the **CITY** from any and all liability and expense including defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever in any way resulting from or arising out of the negligent or intentional acts or omissions for **CONTRACTOR**, its officers, employees, subcontractors or agents on account of the performance or character of this work.

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

8. INSURANCE:

A. **CONTRACTOR**, by executing this Agreement, hereby certifies:

(1) "I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code and I will comply with such provisions before commencing the performance of the work of this Contract."

(2) ***CONTRACTOR*** *further agrees to require all subcontractors to carry Worker's Compensation Insurance as required by the Labor Code of the State of California.*

B. Without limiting **CONTRACTOR's** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense during the term of this Agreement the following program(s) of insurance covering its operations hereunder. Evidence of such insurance, which shall be provided by insurer(s) satisfactory to the **CITY's** Risk Manager, shall be delivered to the **CITY**. Such evidence shall express conditions that the **CITY** is to be given written notice at least thirty (30) days in advance of any termination or implementation of a reduction of limits or material change of insurance coverage as specified herein, including at least ten (10) day notice of any non-payment of premium(s). ***Failure on the part of the Contractor to procure or maintain insurance shall constitute a material breach upon which the CITY may immediately terminate this Agreement.***

Insurance coverage specified herein constitutes the minimum requirements and said requirements shall in no way lessen or limit the liability of the **CONTRACTOR** under the terms of the Agreement. The **CONTRACTOR** is advised that the **CITY does not** carry Contractor's Risk insurance, and the Contractor shall obtain its own coverage. **CONTRACTOR** shall procure and maintain, at its own costs and expense, any additional kinds and amounts of insurance that, in its own judgment, may be necessary for its proper protection of the work. **CONTRACTOR** shall ensure any and all contracts with its Trade Contractors performing services under this Agreement meet the insurance requirements of 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:

1. General Liability. **CONTRACTOR** shall provide and maintain at its own expense during the term of this Agreement a policy of Commercial General Liability Insurance, inclusive of personal injury liability and broad form property damage coverage, in an amount not less than **One Million Dollars ($1,000,000.00)** per occurrence. The coverage shall be written on an occurrence basis. Claims made coverage is not acceptable.

2. Workers' Compensation Insurance. **CONTRACTOR** 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 **CONTRACTOR** and all risks to such persons under the Agreement.

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

4. Insurance Endorsements. The liability insurance policy(ies) shall be endorsed with the following language:

.a The City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers are to be named and covered as **"additional insureds"** with respect to liability arising out of the activities of the **CONTRACTOR**.

.b The insurer waives all rights of subrogation against the **CITY**.

.c Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the **CITY**.

.d Identity of the insured(s).

9. PERMITS AND LICENSES:

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

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

10. WARRANTIES:

CONTRACTOR warrants that it has not employed or retained any company or persons, other than a bona fide employee working solely for the **CONTRACTOR**, 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 **CONTRACTOR**, any fee, commission, percentage, brokerage fee, gift or contingent fee. For breach or violation of this warranty, the **CITY** has the right to annul this Agreement without liability; pay only for the value of the work actually performed, or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

11. FEDERAL AND STATE WITHHOLDING TAXES:

CONTRACTOR shall be responsible for paying when due all federal and state income withholding taxes for all earning under this Agreement. **CONTRACTOR** agrees to indemnify **CITY** for any claims, costs, losses, fees, penalties, interest, or damages suffered by **CITY** resulting from **CONTRACTOR's** failure to comply with this provision.

12. COMPLIANCE WITH LAW:

All services rendered hereunder shall be provided in accordance with the requirements of relevant local, State and Federal laws, including compliance with the Air Quality Management District (AQMD) standards and orders.

13. 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.

14. TERMINATION:

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

A. The **CONTRACTOR** becomes insolvent; that is, it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether or not it has committed an act of bankruptcy, and whether or not insolvent within the meaning of the federal Bankruptcy law, then, the **CITY** may, without prejudice to any other right or remedy and after giving the **CONTRACTOR** seven (7) days written notice, terminate this Agreement.

B. The **CONTRACTOR** persistently or repeatedly refuses or fails, except in cases for which extensions of time are provided, to supply enough properly skilled workers, property or material, or if he fails to make prompt payment to subcontractors or for materials or labor, or he persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, then, the **CITY** may, without prejudice to any other right or remedy and after giving the **CONTRACTOR** seven (7) days written notice, terminate this Agreement.

C. The **CONTRACTOR** fails to perform or breaches any material obligation under this Agreement, then, the **CITY** may, without prejudice to any other right or remedy and after giving the **CONTRACTOR** seven (7) days written notice, terminate this Agreement.

D. The **CITY** may terminate this Agreement at any time by giving thirty (30) days written notice of termination to **CONTRACTOR**. If the **CITY** gives such notice of termination, **CONTRACTOR** shall cease immediately all work in progress, unless otherwise directed by the **CITY**. Upon termination **CONTRACTOR** shall furnish to the **CITY** a final invoice for work performed.

14. AMENDMENTS:

This Agreement may be modified or amended only be written document executed by both **CONTRACTOR** and **CITY's** City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

15. GOVERNING LAW AND SEVERABILTIY:

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 remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the un-excised portion, can be reasonably interpreted to give effect to the intentions of the parties.

16. CONTRACTOR's BOOKS AND RECORDS:

CONTRACTOR shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to work, services, expenditures and disbursements charges to the **CITY** for the period and to the extent required by laws relating to audits of public agencies and their expenditures.

CONTRACTOR shall maintain all documents and records which demonstrate performance under this Agreement for the period and to the extent required by laws relating to audits of public agencies and their expenditures.

Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the **CITY** or a designated representative. Copies of such documents shall be provided to the **CITY** for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at **CONTRACTOR's** address indicated for receipt of notices in this Agreement.

17. EXAMINATION AND AUDIT:

This Contract 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. EXTENT OF AGREEMENT:

This Agreement constitutes 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. Nothing contained in this Agreement shall create any contractual relations between any subcontractor and the **CITY**.

19. NOTICES:

Any notices required or permitted under this Agreement shall be effective when delivered in person; and effective one (1) business day after delivery by facsimile transmission; and effective three (3) business days after mailing by U.S. Mail, postage prepaid and properly addressed as follows:

TO CONTRACTOR:

CLEANSTREET SWEEPING SERVICES
1937 West 169th Street
Gardena, California 90247
(800) 225-7316 ext. 103
(310) 538-8015 – fax.
Attn: Jere Costello, Chief Executive Officer

TO CITY: **CITY OF COMPTON
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director of Public Works
(310) 605-5505
(310) 761-1417 – fax.**

NOTE: A copy of any notice provided to the Director of Public Works shall also be provided to: City Manager, 205 South Willowbrook Avenue, Compton, California 90220.

In the event of any change of address, the moving party is obligated to notify the other party of the change of address in writing. Each party may amend, supplement and update the notice list to add, delete or replace any listed individuals; however, the amendment must be in writing.

20. CERTIFICATIONS:

CERTIFICATIONS OF CONTRACTOR

I, Jere Costello**, HEREBY CERTIFY** that I am the Chief Executive Officer, and duly authorized representative of the **CONTRACTOR** firm of **CleanStreet Sweeping Services**, and that, except as hereby expressly stated, neither I nor the above firm that I represent have:

(a) employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above consultant) to solicit or secure this agreement; nor

(b) agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the agreement; nor

(c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above consultant) any fee, contribution, donation, or consideration of any kind, for or in connection with, procuring or carrying out this agreement.

DEBARMENT AND SUSPENSION CERTIFICATION

The **CONTRACTOR**, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against he/she/it by a court of competent jurisdiction in any matter involving fraud or official misconduct in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract under a public transaction; violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or

destruction of records, making false statements, or receiving stolen property within the past 3 years; and

- are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in the preceding paragraph; and
- have not had one or more public transactions (Federal, State or local) terminated for cause or default within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

[Supply exceptions on separate page]

For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

[Attach separate page]

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction.

The above certifications are part of this contract. Signing this agreement on the signature portion thereof shall also constitute signature of the above Certifications.

_____ _____

Jere Costello, Chief Executive Officer **(Date)**

21. MISCELLANEOUS:

CONTRACTOR and **CITY** acknowledge that the terms of this Agreement have been mutually negotiated and that such documents shall not be interpreted against either **CITY** or **CONTRACTOR** on the basis that either party was responsible for or in control of the drafting of such documents.

Should either party hereto, or any representative, successor or assign of either party hereto, resort to litigation to enforce the provisions of this Agreement, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to recover its or their reasonable attorney's fees and costs in such litigation from the party or parties against whom enforcement is sought.

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

**CLEANSTREET SWEEPING SERVICES
CONTRACTOR**

Dated: _____ **By_____**
Jere Costello, Chief Executive Officer

CITY OF COMPTON
Recommended for Approval:

By _____ **Dated: _____**
Glen W.C. Kau, P.E., Director
Public Works & Municipal Utilities

Approved by:

Dated: _____ **By_____**
G. Harold Duffey, City Manager

Approved as to form:

By _____ **Dated: _____**
Craig J. Cornwell, City Attorney

ATTEST:

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Public Works-Engineering**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE AGREEMENT AND ISSUE A PURCHASE ORDER WITH CLEANSTREET SWEEPING SERVICES FOR CITYWIDE STREET SWEEPING SERVICES**

Glen Kau	**7/15/2013 4:19:49 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**7/18/2013 11:21:36 AM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**7/18/2013 11:00:25 AM**
CITY CONTROLLER	DATE
G. Harold Duffey	**7/15/2013 4:27:41 PM**
CITY MANAGER	DATE

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

July 23, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: **A RESOLUTION OF THE CITY OF COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE ISSUANCE AND SALE OF TAX AND REVENUE ANTICIPATION NOTES FOR FISCAL YEAR 2013-14 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,600,000**

SUMMARY

The Resolution authorizes the City to issue and sell 2013-14 Tax and Revenue Anticipation Notes, Series A (the "Notes") pursuant to Section 53850 et. seq. of the Government Code of the State of California. The Resolution sets forth the parameters of the Notes issuance including among other things, a principal amount not to exceed $10,600,000, a maximum maturity date of June 1, 2014, and an interest rate not to exceed four percent (4%) per annum and a maximum original issue discount of 2%. Pursuant to the Resolution, the City Council (the "Council") approves the preparation and the execution of the Notes, the Trust Agreement, the Accompanying Document, the Direction Letter, and the Note Purchase Agreement.

BACKGROUND

Tax and Revenue Anticipation Notes are used by public entities in the State of California to address cash flow concerns through the use of a short-term borrowing. The City expects to sell its Notes to IFS Securities, Inc. (the "Purchaser") in consultation with Comer Capital Group, the financial advisor and Peck Shaffer & Williams, bond counsel to the City. The Purchaser will execute an investment letter covering the status of the Purchaser as an "accredited investor" within the meaning of Rule 501(a) promulgated under the Securities Act of 1933, as amended and setting forth the terms of any subsequent transfer of the Notes (the "Investment Letter"). This transaction involves a security sale and detailed disclosure through a Limited Offering Memorandum. The Notes will be able to be transferred by the Purchaser to another investor following closing only after complying with specific provisions in the Investment Letter, including the execution by the subsequent purchaser of an Investment Letter.

STATEMENT OF ISSUE

As part of the City's efforts to ensure that sufficient revenues are available to pay City expenditures when due, City management has considered options and is recommending the Council authorize the issuance of Notes to ensure the availability of funds to address the City's current liquidity concerns during Fiscal Year 2013-14.

The City will enter into an Accompanying Document which will direct the Trustee to establish the "2013-14 TRANs Proceeds Fund" to which the net proceeds of the sale of

the Notes will be transferred and deposited. The City Manager will make disbursements from the 2013-14 TRANs Proceeds Fund when funds are needed to pay current Fiscal Year 2013-14 expenditures. Amounts in the 2013-14 TRANs Proceeds Fund will be invested in Permitted Investments (defined therein) so as to be available for the aforementioned disbursements.

In order to secure the repayment of the Notes, the City will execute a Direction Letter to the County of Los Angeles (the "County"). In accordance with the Direction Letter from the City to the County, the County Auditor-Controller is directed to transfer revenues relating to Vehicle License Fees, Sales and Use Tax and Property Tax – 1% of City of Compton TD#1 (Account #132.01) (collectively, the "County Collected Revenues") collected by the County of Los Angeles, on behalf of the City, to the Trustee for deposit in the 2013-14 TRANs Repayment Fund. The Trustee will apply all such proceeds to interest outstanding and principal of the Notes at maturity.

A Limited Offering Memorandum has been prepared to assist in the marketing and sale of the Notes. The Notes are not subject to redemption prior to maturity.

FISCAL IMPACT

The Resolution permits the City to issue a Tax and Revenue Anticipation Note in a principal amount not to exceed $10,600,000. The Tax and Revenue Anticipation Note would be a general obligation of the City and would be secured by all taxes, income, revenues, cash receipts and other moneys of the City received or accrued by the City during Fiscal Year 2013-14 that are lawfully available for payment of the 2013-14 TRANs and the interest thereon (collectively, the "Unrestricted Revenues"). The City will pledge County Collected Revenues toward repayment of the Tax and Revenue Anticipation Note and will direct the County to transfer these moneys to a Repayment Fund held by the Trustee rather than to the City's General Fund until such time as the Repayment Amount is accumulated in the Repayment Fund. Funds in the Repayment Fund will fund the outstanding interest and principal due at maturity of the Notes. However, in the event insufficient money from the County Collected Revenues is collected to pay principal of and interest on the Notes, the City would be obligated to pay the Notes from any Unrestricted Funds. The City's Financial Advisor currently projects that the amount needed to repay the principal of and interest on the Note will be approximately $10,940,000 based on an assumed interest rate of 3.75% per annum at a price of 99.75% of par, a closing date of July 24, 2013 and maturity of June 1, 2014. This amount also recognizes that the City will not be able to prepay any principal and interest.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

**G. HAROLD DUFFEY
CITY MANAGER**

GHD:CJC:RAR:rar

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE ISSUANCE AND SALE OF TAX AND REVENUE ANTICIPATION NOTES FOR FISCAL YEAR 2013-14 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,600,000

WHEREAS, the City of Compton (the "**City**"), a municipal corporation and chartered city of the State of California, requires funds for the purposes authorized by Section 53852 of the California Government Code; and

WHEREAS, the City is authorized to borrow money pursuant to Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended, and Charter of the City of Compton (as amended, the "**City Charter**") Section 1403 (collectively, the "**Authorizing Law**"), for the purposes authorized by California Government Code Section 53852 and the City Charter, respectively, such indebtedness to be represented by a note or notes of the City; and

WHEREAS, pursuant to the Authorizing Law, such note or notes are to be issued pursuant to a resolution of the City Council of the City (the "**City Council**") and may be issued from time to time as provided in such resolution; and

WHEREAS, the City has determined that it is necessary and in the best interests of the City to authorize the borrowing of an amount not to exceed $10,600,000 with respect to the City's Fiscal Year 2013-14, such indebtedness to be evidenced by the 2013-14 Tax and Revenue Anticipation Notes, Series A authorized and described herein (the "**2013-14 TRANs**") in an aggregate principal amount not to exceed the sum described above; and

WHEREAS, the 2013-14 TRANs, together with the interest payable thereon, will not exceed 85% of the estimated amount of the uncollected taxes, income, revenue, cash receipts and other moneys of the City which will be available for the payment of the 2013-14 TRANs or other indebtedness and the interest thereon subject to the Authorizing Law.

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

SECTION 1. That this Resolution (the "Resolution") is adopted pursuant to the provisions of the Authorizing Law and other applicable laws.

SECTION 2. That the 2013-14 TRANs are hereby authorized to be issued, which notes shall mature on or before June 1, 2014 in an aggregate principal amount not to exceed the lesser of $10,600,000 or the amount authorized to be issued pursuant to the Authorizing Law, as certified by the City Manager or his designee (the "City Manager"), and pursuant to the Accompanying Document for the 2013-14 TRANs (the "Accompanying Document") and as further approved by the City Manager, his execution of the Accompanying Document to be conclusive evidence thereof. The 2013-14 TRANs shall be issued as provided in the Accompanying Document. The form of Accompanying Document presented at this meeting, as such instrument shall be completed and executed in accordance with this Resolution, is by this reference incorporated herein and hereby approved. The City Manager is hereby authorized for and in the name of, and on behalf of, the City, to execute and deliver said Accompanying Document, substantially in the form on file with the City Clerk, with such changes therein as may be necessary or desirable or as he may approve, in his sole discretion, as being in the best interests of the City, such approval to be evidenced conclusively by the execution and delivery thereof. The City Manager is empowered to implement this Resolution in a manner determined by the City Manager to be necessary or desirable and in the best interests of the City. Without limiting the foregoing, the City Manager, subject to Section 5 hereof, may determine the maturity date and amount for the 2013-14 TRANs, and the City Manager is hereby authorized to make conforming changes reflecting such maturity and amount to each of the documents approved by this

Resolution, including changes to the date and amounts to be set aside hereunder and under the Accompanying Document prior to the end of the fiscal year as the City Manager determines are necessary or appropriate. The terms and conditions as set forth (or incorporated by reference) in the Accompanying Document, together with the terms and conditions of the 2013-14 TRANs set forth in this Resolution, together with any authorized and approved supplements and amendments thereto, if any, shall, upon the execution and delivery of the Accompanying Document, be the terms and conditions of such 2013-14 TRANs, as if all such terms and conditions were fully set forth in this Resolution.

SECTION 3. That in consideration of the purchase and acceptance of the 2013-14 TRANs authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the City and the owners from time to time of the 2013-14 TRANs. The pledge made in, and the covenants and agreements to be performed by and on behalf of the City set forth in, this Resolution, in any resolution supplemental hereto, or in the Accompanying Document with respect to the 2013-14 TRANs shall be for the benefit, protection and security of the owners of the 2013-14 TRANs.

SECTION 4. That the 2013-14 TRANs shall not be subject to redemption prior to maturity.

SECTION 5. That the City Manager, for and on behalf of the City, is hereby authorized to sell the 2013-14 TRANs on a negotiated basis to IFS Securities, Inc. (the "Underwriter"), in consultation with Comer Capital Group, LLC, the City's Financial Advisor, with respect to the 2013-14 TRANs, pursuant to the terms, conditions and procedures set forth in the Accompanying Document and in the Note Purchase Agreement between the City and the Underwriter (the "Note Purchase Agreement"); provided that the 2013-14 TRANs shall (1) mature not later than June 1, 2014 and (2) bear interest at the rate established prior to delivery of the 2013-14 TRANs pursuant to the Note Purchase Agreement, in no event to exceed a rate of interest of four percent (4%) per annum and an original issue discount of 2%. The form of the Note Purchase Agreement presented at this meeting is hereby approved, and the City Manager is hereby authorized to execute the Note Purchase Agreement, with such additions thereto and changes therein as are consistent with this Section and as he, or his designee, deems necessary and appropriate.

SECTION 6. That the City Council hereby approves the preliminary Limited Offering Memorandum (the "Limited Offering Memorandum") describing the 2013-14 TRANs in substantially the form presented at this meeting, together with such additions thereto and changes therein as are determined necessary or desirable by the City Manager and with the approval as to form of the City Attorney including but not limited to such changes as are deemed necessary or desirable. The City Manager is hereby authorized and directed to approve any changes in or additions that are determined to be necessary or desirable to cause such preliminary Limited Offering Memorandum to be put in final form and to make such Limited Offering Memorandum complete and accurate as of its date, and to execute said final Limited Offering Memorandum for and in the name and on behalf of the City.

SECTION 7. That the engagement of U.S. Bank National Association (the "Trustee") to provide trustee services for the 2013-14 TRANs is hereby approved pursuant to the form of the Trust Agreement (the "Trust Agreement") presented at this meeting and the City Manager is hereby authorized to execute the Trust Agreement, with such additions thereto and changes therein as he, or his designee, deem necessary and appropriate to be executed by the City Manager, subject to the approval of the City Attorney.

SECTION 8. That as provided in the Authorizing Law, the 2013-14 TRANs shall be general obligations of the City, payable from all legally available sources, including Unrestricted Revenues and County Collected Revenues (as both of those terms are defined in the Accompanying Document). The Trustee shall establish a "2013-14 TRANs Repayment Fund" and any additional subaccounts therein to the extent provided in the Accompanying Document. The City shall cause to be deposited in the 2013-14 TRANs Repayment Fund all County Collected Revenues allocated or attributable to the City until the amounts deposited and held in the 2013-14 TRANs Repayment Fund, from any source, shall equal the principal of and interest due on the 2013-14 TRANs as set forth in the Accompanying Document. The City does hereby grant a security interest in, convey,

bargain, pledge, transfer and assign unto the Trustee, as security for the City's obligations under the 2013-14 TRANs, the Accompanying Document and the Trust Agreement, all of the City's right, title, and interest in and to the County Collected Revenues and Unrestricted Revenues, and the City further authorizes the Trustee to take any and all actions necessary or desirable to perfect the security interest granted hereby in the County Collected Revenues and Unrestricted Revenues pursuant to applicable law.

SECTION 9. That to the extent that the County Collected Revenues deposited by the City into the 2013-14 TRANs Repayment Fund are less than the principal of and interest due on the 2013-14 TRANs as set forth in the Accompanying Document, the City shall deposit or cause to be deposited into the 2013-14 TRANs Repayment Fund additional amounts as needed from any other moneys of the City lawfully available therefor, including, but not limited to Unrestricted Revenues. As provided in the Authorizing Law, the 2013-14 TRANs, and the interest thereon, are a first lien and charge against, and are payable from all moneys received by the City from such Unrestricted Revenues. The County Collected Revenues shall be invested by the Trustee only in Permitted Investments (as defined in the Accompanying Document), shall be used to pay the principal of the 2013-14 TRANs and the interest thereon when the same shall become due and payable, and may not be used for any other purpose. Any amounts remaining in the 2013-14 TRANs Repayment Fund after repayment of all principal of the 2013-14 TRANs, and the interest thereon, shall be the sole and exclusive property of the City, shall not be subject to any claims by the Trustee, or on behalf of any holder of 2013-14 TRANs, and shall be transferred to any account of the City as the City Manager may appropriately direct.

SECTION 10. That the City Manager, or any designee thereof, is authorized to execute and deliver a Tax Certificate (as defined in the Accompanying Document) obligating the City to comply with certain covenants in order to maintain the exclusion of interest on the 2013-14 TRANs from the gross income of the owners thereof for federal income tax purposes.

SECTION 11. That the form of the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") by and between the City and U.S. Bank National Association, as dissemination agent thereunder, presented at this meeting is hereby approved and the City Manager is hereby authorized to execute the Continuing Disclosure Agreement, with such additions thereto and changes therein as he, or his designee, deems necessary and appropriate.

SECTION 12. That the form of the Direction Letter (the "Direction Letter") from the City to the County of Los Angeles, presented at this meeting as is hereby approved and the City Manager is hereby authorized to execute the Direction Letter, with such additions thereto and changes therein as he, or his designee, deems necessary and appropriate.

SECTION 13. That the Authorized Officers of the City are hereby authorized and directed to pay all the foregoing fees and other costs of issuance of the 2013-14 TRANs in accordance with the Note Purchase Agreement and as otherwise agreed in writing with the City and the respective parties thereto.

SECTION 14. That the City Manager, the City Treasurer, the Controller and the City Clerk, and their designees (each, an "Authorized Officer"), upon advice of the City Attorney and Peck Shaffer & Williams LLP, as Bond Counsel and Disclosure Counsel to the City, are hereby authorized and directed, jointly and severally, to do any and all things and to execute, modify and deliver any and all documents, agreements and certificates that they may deem necessary or advisable in order to effect the issuance, sale and delivery of the 2013-14 TRANs, and otherwise to carry out the purposes of this Resolution.

SECTION 15. That the City Attorney is authorized to execute an agreement with Peck Shaffer & Williams LLP to provide bond counsel and disclosure counsel services and with Seyfarth Shaw as Special Counsel to the City in connection with the issuance of the 2013-14 TRANs.

SECTION 16. That the Authorized Officers and the other officers of the City and their respective authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and to do and perform any and all acts and things, from time to time, consistent with this Resolution and the Accompanying Document

and necessary or appropriate to carry the same into effect and to carry out their purposes. The execution of any such documents shall constitute conclusive evidence that the officer or official approved the form and content of the document.

SECTION 17. That copies of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Treasurer and the City Controller.

SECTION 18. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____, 2013.

_____
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
CLERK OF THE CITY OF COMPTON

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

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

ACCOMPANYING DOCUMENT
PROVIDING FOR THE TERMS AND CONDITIONS
OF THE ISSUANCE AND SALE OF
THE CITY OF COMPTON
2013-14 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

Dated as of July 1, 2013

#23.

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 101. Definitions....3

Section 102. Other Definitional Provisions....8

Section 103. Authority for Accompanying Document....9

Section 104. Timing of Actions....9

Section 105. Accompanying Document to Constitute Contract....9

ARTICLE II

AUTHORIZATION AND ISSUANCE OF 2013-14 TRANs, Series A

Section 201. Authorization, Form and Date of 2013-14 TRANs, Series A. 9

Section 202. Book-Entry Notes. 10

Section 203. Terms of the 2013-14 TRANs, Series A....11

ARTICLE III

GENERAL TERMS AND PROVISIONS OF 2013-14 TRANs, Series A

Section 301. Execution of 2013-14 TRANs, Series A; Authentication....12

Section 302. Negotiability, Transfer and Exchange. 12

Section 303. 2013-14 TRANs, Mutilated, Destroyed, Stolen or Lost....13

Section 304. Cancellation of the 2013-14 TRANs, Series A....13

Section 305. 2013-14 TRANs, Held by City....13

ARTICLE IV

ESTABLISHMENT OF 2013-14 TRANs, PROCEEDS FUND AND REPAYMENT FUND AND APPLICATION THEREOF

Section 401. Use of Proceeds of 2013-14 TRANs, Series A....13

Section 402. Payment and Security for the 2013-14 TRANs, Series A 14

ARTICLE V

CERTAIN COVENANTS; EVENTS OF DEFAULT AND REMEDIES

Section 501. General Covenants and Representations.....15

Section 502. Covenants Relating to the Code.....16

Section 503. Events of Default and Remedies.....16

ARTICLE VI

SUPPLEMENTAL RESOLUTIONS AND ACCOMPANYING DOCUMENT

Section 601. Supplemental Resolutions and Accompanying Document Effective Without Consent of the Owner 17

Section 602. Supplemental Accompanying Document 18

ARTICLE VII

MISCELLANEOUS

Section 701. Moneys Held in Trust for One Year 18

Section 702. Certified Copies 18

Section 703. Funds, Accounts and Subaccounts.....18

Section 704. Article and Section Headings and References 19

Section 705. Partial Invalidity.....19

Section 706. Execution in Several Counterparts.....19

Section 707. Governing Law 19

Section 708. Notices 19

ACCOMPANYING DOCUMENT
PROVIDING FOR THE TERMS AND CONDITIONS OF ISSUANCE AND SALE OF 2013-14 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

In connection with the issuance and sale of the 2013-14 Tax and Revenue Anticipation Notes issued by the City of Compton, California (the "City"), the City Manager of the City hereby certifies that such 2013-14 Tax and Revenue Anticipation Notes, Series A are issued on the following terms and conditions:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 101. **Definitions**. The following terms shall for all purposes of this Accompanying Document have the following meanings:

"Accredited Investor" shall mean an "accredited investor" within the meaning of Rule 501 (a) promulgated under the Securities Act of 1933, as amended (the "1933 Act").

"Auditor-Controller" shall mean the Auditor-Controller of the County of Los Angeles.

"Authorizing Law" shall mean collectively (1) Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended and (2) Section 1403 of the City Charter.

"Authorized Newspapers" shall mean The Bond Buyer and two other newspapers customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language and of general circulation, in the City of Compton, California and in the Borough of Manhattan, City and State of New York.

"Authorized Officer" shall mean each of the Mayor, the City Manager, the City Treasurer, the Controller and the City Clerk, and their designees.

"Business Day" shall mean any calendar day other than (i) a Saturday or Sunday; (ii) a day on which banking institutions are authorized or required by law to be closed for commercial banking purposes in either the State of New York or the State of California; or (iii) a day on which the New York Stock Exchange is closed.

"City" shall mean the City of Compton, California, its successors and assigns.

"City Charter" shall mean the duly enacted Charter of the City, as amended.

"City Clerk" shall mean the duly appointed person performing the duties of the City Clerk, or in the absence or inability of such person to act, any duly appointed deputy City Clerk.

"City Council" shall mean the duly elected or appointed members of the City Council of the City.

"City Manager" shall mean the City Manager of the City and any other person designated by the City Manager to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and all rules and temporary, proposed or final regulations from time to time promulgated thereunder.

"**County**" shall mean the County of Los Angeles, California.

"County Collected Revenues" shall mean the Vehicle License Fees, Sales and Use Tax and Property Tax – 1% of City of Compton TD#1 (Account #132.01) collected by the County on behalf of the City, attributable to the City's current Fiscal Year, which is July 1, 2013 through June 30, 2014, and shall not include any Unavailable Revenue.

"Direction Letter" shall mean the Direction Letter dated July 25, 2013 from the City to the County.

"DTC" shall mean The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Event of Default" shall have the meaning assigned to such term in Section 503.

"Federal Securities" shall mean the following securities:

(i) United States Treasury bills, bonds, and notes for which the full faith and credit of the United States are pledged for payment of principal and interest;

(ii) Direct obligations issued by the following agencies of the United States Government: the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Tennessee Valley Authority;

(iii) Mortgage backed securities (except stripped mortgage securities) issued by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association;

(iv) United States Treasury Obligations, State and Local Government Series; and

(v) Issues guaranteed as to timely payment of principal and interest by the full faith and credit of the Federal Deposit Insurance Corporation.

"Fitch" shall mean Fitch Ratings, located at One State Street Plaza, New York, New York 10004, a corporation organized and existing under the laws of the State of New York, and its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than Moody's or S&P) designated by the City.

"General Fund" shall mean the General Fund of the City.

"Limited Offering Memorandum" shall mean the Limited Offering Memorandum relating to the 2013-14 TRANs, including any approved supplement or amendment thereto.

"Los Angeles County Treasury Pool" shall mean the County Treasury, in which the Treasurer-Tax Collector of the County of Los Angeles has the delegated authority to invest funds.

"Maturity Date" shall mean June 1, 2014 as set forth in Section 203 hereof.

"Moody's" shall mean Moody's Investors Service, located at 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, a corporation organized and existing under the laws of the State of Delaware, and its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than S&P or Fitch) designated by the City.

"Note Purchase Agreement" shall mean the agreement between the City and the Original Purchaser of the 2013-14 TRANs, together with any amendments thereto.

"Note Register" shall mean the registration books for the 2013-14 TRANs, maintained by the Note Registrar pursuant to Section 302.

"Note Registrar" shall mean U.S. Bank National Association or a substitute or successor Registrar appointed in accordance with this Accompanying Document.

"Opinion of Bond Counsel" shall mean a written opinion of any attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on bonds issued by states and political subdivisions thereof, and duly admitted to practice law before the highest court of any state of the United States of America.

"Original Purchaser" shall mean the Person, or Persons who are the purchaser from the City of the 2013-14 TRANs, upon the issuance thereof.

"Outstanding" when used with reference to the 2013-14 TRANs, shall mean, as of any date, all of the 2013-14 TRANs, issued under this Accompanying Document except:

(i) 2013-14 TRANs, cancelled on or prior to such date;

(ii) 2013-14 TRANs, for which other 2013-14 TRANs, shall have been delivered in lieu of or in substitution therefor pursuant to Article III hereof; and

(iii) 2013-14 TRANs, referred to in Section 305 hereof.

"Owner" shall mean the Person in whose name any 2013-14 TRANs, is registered on the Note Register.

"Participant" shall mean an entity which is recognized as a participant by the Securities Depository in the book-entry system of maintaining records with respect to the 2013-14 TRANs, Series A.

"Permitted Investments" shall mean, to the extent permitted by law:

(i) Federal Securities;

(ii) Commercial Paper having original maturities of not more than the final maturity of the 2013-14 TRANs, payable in the United States of America and issued by corporations that are organized and operating in the United States with total assets in excess of $500 million and having an "A" or better rating for the issuer's long-term debt as provided by Moody's, S&P, or Fitch and "P-1", "A-1", "F1" or better rating for the issuer's short-term debt as provided by Moody's, S&P, or Fitch, respectively.

(iii) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which have short-term obligations outstanding which are rated by two Rating Agencies in their respective highest short-term rating categories, a long-term debt rating of not less than "A" by a Rating Agency, and a maturity no later than the final maturity of the 2013-14 TRANs, Series A.

(iv) Negotiable or non-negotiable certificates of deposit issued by a nationally- or state-chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state-licensed branch of a foreign bank, in each case which has, or which is a subsidiary of a parent company which has, obligations outstanding having a rating in the "A" category or better from S&P, Moody's, or Fitch.

(v) Any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association, or a state-licensed branch of a foreign bank, having a minimum permanent capital of one hundred million dollars ($100,000,000) and with short-term debt rated by two Rating Agencies in their respective three highest short-term rating categories or any government bond dealer reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities and obligations described in clause (i) of this definition and having maturities equal to or less than 5 years from the date of delivery, which shall have a market value (valued at least monthly) not less than 102% of the principal amount of such investment.

(vi) Shares of beneficial interest issued by diversified management companies, known as money market funds which invest in securities described in (i)–(v) above, registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) and whose fund has received the highest possible rating from S&P and at least one other Rating Agency.

(vii) Investment agreements and guaranteed investment contracts with issuers having a long-term debt rating of at least "AA" or "Aa2" by S&P or Moody's, respectively.

(viii) The Los Angeles County Treasury Pool;

(ix) The Local Agency Investment Fund created pursuant to Section 16429.1 of the Government Code of the State.

"Person" shall mean an individual, corporation, firm, association, partnership, trust or other legal entity, including a governmental entity or any agency or political subdivision thereof.

"Principal Office" shall mean (i) with respect to the City Manager, the principal office of the City Manager in Compton, California, and (ii) with respect to the Trustee, the principal corporate trust office of the Trustee in Seattle, Washington, or the principal corporate trust office of any successor Trustee, provided that for purposes of the surrender, transfer, exchange, payment or registration of the 2013-14 TRANs, the term "Principal Corporate Trust Office" shall mean the designated corporate trust office of the Registrar.

"Rating Agency" shall mean Moody's, S&P, Fitch or any other nationally recognized securities rating agency designated by the City.

"**2013-14 TRANs Repayment Fund**" shall mean the 2013-14 TRANs Repayment Fund created pursuant to this Accompanying Document and caused to be kept by the Trustee for collection and deposit of County Collected Revenue, and other funds so directed for deposit by the City Manager, for the repayment of the 2013-14 TRANs, including amounts held in the 2013-14 TRANs Repayment Fund and invested in Permitted Investments established in accordance with the Resolution and described in Section 402.

"Repayment Amount" shall mean an amount not to exceed $10,940,000, which amount shall be sufficient to pay principal of and interest on the Notes when due.

"Representation Letter" shall mean one or more letters of representation from the City to, or other instruments or agreements of the City with, a Securities Depository in which the City, among other things, makes certain representations to such Securities Depository with respect to the 2013-14 TRANs, the payment thereof and delivery of notices with respect thereto.

"Resolution" shall mean the "A Resolution of the Council of The City of Compton, California Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes, Series A for Fiscal Year 2013-14 in an Aggregate Principal Amount not to exceed $10,600,000," adopted on July 23, 2013, as from time to time amended by any Supplemental Resolution in accordance with the terms hereof.

"S&P" shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., located at 55 Water Street, New York, New York 10041, a corporation organized and existing under the laws of the State of New York, and its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency (other than Fitch or Moody's) designated by the City.

"Securities Depository" shall mean DTC or any successor as Securities Depository for the 2013-14 TRANs, appointed pursuant to Section 202.

"State" shall mean the State of California.

"Supplemental Document" shall mean any supplemental document amending or supplementing this Accompanying Document in accordance with Article VII.

"Supplemental Resolution" shall mean any resolution amending the Resolution, adopted by the City in accordance with Article VII.

"Tax Certificate" shall mean the Tax Certificate executed by the City on the date of issuance and delivery of the 2013-14 TRANs, as amended from time to time.

"Trust Agreement" shall mean the Trust Agreement dated as of July 1, 2013 by and between the City and the Trustee, together with any authorized amendments thereof or supplements thereto permitted to be made thereunder.

"Trustee" shall mean U.S. Bank National Association a national banking association organized and existing under the laws of the United States of America

"2013-14 TRANs" shall mean all of the City's 2013-14 Tax and Revenue Anticipation Notes, Series A authorized pursuant to the Resolution and issued in accordance with the terms and conditions of this Accompanying Document and the Resolution pursuant to Section 203.

"2013-14 TRANs Proceeds Fund" shall mean the 2013-14 TRANs Proceeds Fund established pursuant to Section 401 hereof.

"2013-14 TRANs Repayment Fund" shall mean the 2013-14 TRANs Repayment Fund established pursuant to Section 402 hereof.

"**Underwriter**" shall mean IFS Securities, Inc. or any successor thereto.

"**Unavailable Revenue**" shall mean the revenue described under Section 402 of this Accompanying Document.

"**Unrestricted Revenues**" shall mean the revenues pledged by the City under the Authorizing Law and pursuant to the Resolution, and described in Section 402, for the security and payment of the 2013-14 TRANs, including the interest thereon in accordance with the provisions herein, whether or not such taxes, income, revenue, cash receipts or other moneys are deposited in the 2013-14 TRANs Repayment Fund and as so described under Section 402 of this Accompanying Document.

"**Written Direction**" shall mean a written direction from an Authorized Officer.

Section 102. **Other Definitional Provisions.** Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa. Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof. Unless otherwise indicated, all references herein to "Articles," "Sections" or other subdivisions are to the corresponding Articles, Sections or subdivisions of this Accompanying Document; the words "herein," "hereof," "hereby," "hereunder" and other

words of similar import refer to this Accompanying Document as a whole and not to any particular Article, Section or subdivision hereof.

Section 103. **Authority for Accompanying Document**. This Accompanying Document is executed and delivered pursuant to and in connection with the Resolution.

Section 104. **Timing of Actions**. Whenever in this Accompanying Document there is designated a time of day at or by which a certain action must be taken, such time shall be local time in New York, New York except as otherwise specifically provided herein.

Section 105. **Accompanying Document to Constitute Contract**. In consideration of the purchase and acceptance of any and all of the 2013-14 TRANs to be issued hereunder by the Owner from time to time, this Accompanying Document shall be deemed to be and shall constitute a contract between the City and the Owner from time to time of the 2013-14 TRANs . The pledge made in this Accompanying Document and the covenants and agreements herein set forth to be performed by and on behalf of the City shall be for the equal benefit, protection and security of the Owner of any and all of the 2013-14 TRANs, all of which shall be of equal rank without preference, priority, privilege or distinction of any of the 2013-14 TRANs over any other thereof, except as expressly provided in or permitted by this Accompanying Document.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF2013-14 TRANs, Series A

Section 201. **Authorization, Form and Date of2013-14 TRANs, Series A**.

1. The 2013-14 TRANs have been authorized to be issued pursuant to the Resolution and are entitled to the benefit, protection and security thereof. The 2013-14 TRANs shall be issued in an aggregate principal amount of $10,600,000 and shall bear interest as set forth in Section 203. The 2013-14 TRANs shall be issued in anticipation of the receipt by the City of Unrestricted Revenues attributable to the City's current Fiscal Year, which is July 1, 2013 to June 30, 2014. Such notes shall be designated as, and shall be securities distinguished from all other issues of the City by the title "2013-14 Tax and Revenue Anticipation Notes" or "2013-14 TRANs, Series A."

2. The 2013-14 TRANs shall be issued in fully registered form, without coupons and in the principal amount of the Notes in book-entry only form pursuant to Section 202 of this Accompanying Document. The City hereby certifies and recites that all acts, conditions and things required by law, the Resolution and this Accompanying Document to exist, to have happened, and to have been performed precedent to and during the issuance of the 2013-14 TRANs do exist, have happened and have been performed in due time, form and manner, as required by law and the Resolution and this Accompanying Document. The 2013-14 TRANs shall be in substantially the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2013-14 TRANs.

3. Interest shall be payable on the Maturity Date to the Owner at the address as it appears in the Note Register or, at the request of an Owner, by wire transfer of immediately available funds in lawful money of the United States of America, and at maturity. Except as

otherwise provided in a Representation Letter, principal of and interest on the 2013-14 TRANs due at the maturity date shall be payable in lawful money of the United States of America upon surrender of the 2013-14 TRANs at the Principal Office of the Trustee. The 2013-14 TRANs so surrendered to the Trustee on any Business Day at or prior to 12:00 noon time at the office of the Trustee, shall be paid in funds immediately available on such Business Day. The 2013-14 TRANs so surrendered to the Trustee on any Business Day after 12:00 noon shall be paid on the next succeeding Business Day in funds immediately available on such succeeding Business Day.

4. The 2013-14 TRANs shall not be subject to redemption prior to maturity.

Section 202. **Book-Entry Notes**.

1. Subject to any limitation on maximum principal amount imposed by DTC, the 2013-14 TRANs shall be initially issued in the form of a fully registered, single note without coupons, in denominations of $100,000, and upon initial issuance, the ownership of such 2013-14 TRANs shall be registered in the Note Register in the name of Cede & Co., as nominee of DTC, the initial Securities Depository. Except as provided in subsection 5 of this Section, all of the 2013-14 TRANs shall be registered in the Note Register in the name of Cede & Co., or such other nominee of DTC or any successor Securities Depository or the nominee thereof, as shall be specified pursuant to a Representation Letter.

2. With respect to2013-14 TRANs, registered in the Note Register in the name of the Securities Depository, or its nominee, the City and the Trustee shall have no responsibility or obligation to any Participant or to any Person on behalf of which such a Participant holds an interest in any such 2013-14 TRANs. Without limiting the immediately preceding sentence, the City and the Trustee shall have no responsibility, obligation or liability with respect to (a) the accuracy of the records of the Securities Depository, the nominee of the Securities Depository or any Participant with respect to any ownership interest in the 2013-14 TRANs, (b) the delivery to any Participant or any other Person, other than an Owner as shown in the Note Register, of any notice with respect to the 2013-14 TRANs, or (c) the payment to any Participant or any other Person, other than an Owner as shown in the Note Register, of any amount with respect to principal of or interest on the 2013-14 TRANs. The City may treat and consider the Person in whose name any 2013-14 TRANs is registered in the Note Register as the Owner and absolute owner of such 2013-14 TRANs, for the purpose of payment of principal of and interest on such 2013-14 TRANs, and for all other purposes whatsoever.

3. The Trustee shall pay all principal of and interest on the 2013-14 TRANs, only to or upon the order of the Owner, as shown in the Note Register on the Maturity Date thereof, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy and discharge fully the obligations with respect to the payment of principal of and interest on the 2013-14 TRANs, under this Accompanying Document and the 2013-14 TRANs, to the extent of the sums so paid. Upon delivery by the Securities Depository to the City Manager of written notice to the effect that the Securities Depository has determined to substitute a new nominee, the word “nominee” in this Accompanying Document shall refer to such new nominee of the Securities Depository.

4. In order to qualify the 2013-14 TRANs, for the Securities Depository's book-entry system, the City Manager has been authorized to execute and deliver, or has executed and delivered, on behalf of the City to the Securities Depository a Representation Letter or Representation Letters representing such matters as shall be necessary to so qualify such 2013-14 TRANs. The execution and delivery of the Representation Letter or Representation Letters shall not in any way limit the provisions of subsection 2 of this Section or in any other way impose upon the City any obligation or liability whatsoever with respect to Persons having interests in the 2013-14 TRANs, other than the Owner as shown in the Note Register. In addition to the execution and delivery of the Representation Letter or Representation Letters, the City Manager and all other officers of the City, and their authorized representatives, are each hereby authorized and directed to take any other actions as they deem necessary or desirable, not inconsistent with this Accompanying Document, to qualify such 2013-14 TRANs, for the Securities Depository's book-entry program.

5. In the event (a) the incumbent Securities Depository determines not to continue to act as Securities Depository for the 2013-14 TRANs, or (b) the City determines that the incumbent Securities Depository shall no longer so act, and delivers a written certificate to the incumbent Securities Depository to that effect, then the City will discontinue the book-entry system for the 2013-14 TRANs with the incumbent Securities Depository. If the City determines to replace the incumbent Securities Depository with another qualified Securities Depository, the City shall prepare or direct the preparation of and execute, and the Trustee shall authenticate and deliver, subject to any limitation on maximum principal amount imposed by the successor Securities Depository, a new single, separate fully-registered note (which may be typewritten) for the aggregate outstanding principal amount of the 2013-14 TRANs, held by the incumbent Securities Depository, registered in the name of such successor or substitute qualified Securities Depository or its nominee, or make such other arrangement reasonably acceptable to the City and the successor Securities Depository as are not inconsistent with the terms of this Accompanying Document. If the City fails to identify another qualified successor Securities Depository to replace the incumbent Securities Depository, then the 2013-14 TRANs shall no longer be restricted to being registered in the Note Register in the name of the Securities Depository or its nominee, but shall be registered in whatever name or names the Securities Depository or its nominee shall designate. In such event the City shall prepare or direct the preparation of and execute, and the Trustee shall authenticate and deliver to the Owner thereof, such 2013-14 TRANs as are necessary or desirable to carry out the transfers and exchanges provided in this Section and Section 302. All such 2013-14 TRANs shall be in fully registered form in the denomination authorized pursuant to Section 201.

6. Notwithstanding any other provision of this Accompanying Document to the contrary, so long as any 2013-14 TRAN is registered in the name of the Securities Depository or its nominee, all notices and payments with respect to principal of and interest on such 2013-14 TRANs, shall be given and made, respectively, as provided in a Representation Letter or as otherwise instructed by the Securities Depository.

Section 203. **Terms of the 2013-14 TRANs**. The 2013-14 TRANs shall be dated the date of issuance and delivery thereof. Interest shall be paid on the Maturity Date for the 2013-14 TRANs. The 2013-14 TRANs shall bear interest computed on the basis of a 360-day year

comprised of 12 months of 30 days each. The 2013-14 TRANs shall mature on June 1, 2014 and bear interest at the rate of _____ percent (___%) per annum.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF 2013-14 TRANs

Section 301. **Execution of 2013-14 TRANs; Authentication**.

1. The 2013-14 TRANs shall be executed in the name of the City by the manual or facsimile signature of the City Manager and the City Clerk of the City, and the City's seal shall be impressed, imprinted, engraved or otherwise reproduced thereon. No 2013-14 TRAN shall be entitled to any benefit under the Resolution or this Accompanying Document or be valid or obligatory for any purpose, unless there appears on such 2013-14 TRAN, a certificate of authentication substantially in the form provided for herein executed by the manual signature of the Trustee. Such certificate upon any 2013-14 TRAN, shall be conclusive evidence, and the only evidence, that such 2013-14 TRAN, has been duly issued, authenticated and delivered hereunder.

2. In case any one or more of the officers who shall have signed or sealed any of the 2013-14 TRANs, shall cease to be such officer before the 2013-14 TRANs so signed and sealed shall have been issued, such 2013-14 TRANs, so signed and sealed may nevertheless be issued, as herein provided, as if such persons who signed or sealed such 2013-14 TRANs had not ceased to hold such offices. Any of the 2013-14 TRANs may be signed and sealed on behalf of the City by such persons as at the time of the execution of such 2013-14 TRANs shall be duly authorized to hold or shall hold the proper office in the City, although on the date borne by the 2013-14 TRANs, such persons may not have been so authorized or have held such office.

Section 302. **Negotiability, Transfer and Exchange**.

1. The Note Registrar shall keep at its Principal Office sufficient books for the registration of transfer and exchange of the 2013-14 TRANs as to which it serves as Note Registrar, which shall at all times be open to inspection by the City, and upon presentation for such purpose the Note Registrar shall, under such reasonable regulations as it may prescribe, register or transfer 2013-14 TRANs on such books as hereinafter provided.

2. The 2013-14 TRANs shall be initially held by, and subsequently transferred to, only an Accredited Investor and the maximum number of Accredited Investor Owners shall be thirty-five (35). Prior to purchasing any 2013-14 TRAN, each holder of the 2013-14 TRANs shall execute an Investment Letter, the form of which is attached to the Limited Offering Memorandum as an exhibit. The 2013-14 TRANs may not be transferred or exchanged except as provided herein.

3. The City and the Trustee may deem and treat the Owner of any 2013-14 TRANs as the absolute owner of such 2013-14 TRANs, regardless of whether such 2013-14 TRANs, shall be overdue, for the purpose of receiving payment thereof and for all other purposes, and all such payments so made to any such Owner or upon such Owner's order shall be valid and effective to satisfy and discharge the liability upon such 2013-14 TRANs, to the

extent of the sum or sums so paid, and neither the City nor any Trustee shall be affected by any notice to the contrary. The City agrees, to the extent permitted by law, to indemnify and hold the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under this Accompanying Document, in so treating such Owner.

4. The 2013-14 TRANs shall not be exchangeable for other 2013-14 TRANs, except as provided in Section 202, this Section 302 and Section 303.

Section 303. **2013-14 TRANs, Mutilated, Destroyed, Stolen or Lost**. In case any 2013-14 TRANs shall become mutilated or be destroyed, stolen or lost, the City shall issue new 2013-14 TRANs, of like principal amount, denomination and tenor as the 2013-14 TRANs, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated 2013-14 TRANs, or in lieu of and substitution for the 2013-14 TRANs, destroyed, stolen or lost, upon the filing with the Trustee and the City of evidence satisfactory to the Trustee and the City that such 2013-14 TRANs have been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Trustee and the City with indemnity satisfactory to the Trustee and the City and complying with such other reasonable regulations as the Trustee and the City may prescribe and paying such expenses as the Trustee and the City may incur. All 2013-14 TRANs so surrendered shall be cancelled. Any such substitute 2013-14 TRANs shall constitute original contractual obligations on the part of the City, whether or not the 2013-14 TRANs alleged to be destroyed, stolen or lost are at any time enforceable by anyone. Such substitute 2013-14 TRANs shall be equally secured by and entitled to equal and proportionate benefits with all other 2013-14 TRANs issued under the Resolution and this Accompanying Document in any moneys or securities held by the City or the Trustee for the benefit of the Owner of the 2013-14 TRANs.

Section 304. **Cancellation of the 2013-14 TRANs**. All 2013-14 TRANs which at or after maturity are surrendered to the Trustee for the collection of the principal thereof and interest thereon shall be cancelled by the Trustee and forthwith destroyed by the Trustee. The Trustee shall promptly deliver to the City a certificate specifying the cancellation of such 2013-14 TRANs. In all matters provided for in this Section, the City shall act through the City Manager.

Section 305. **2013-14 TRANs Held by City**. If the City shall become the Owner of any 2013-14 TRANs, such 2013-14 TRANs shall no longer be deemed Outstanding and shall be surrendered to the Trustee for cancellation; provided, however, that the City shall not be deemed to be the Owner of any 2013-14 TRANs, held by it in a fiduciary capacity.

ARTICLE IV

ESTABLISHMENT OF 2013-14 TRANs, PROCEEDS FUND AND REPAYMENT FUND AND APPLICATION THEREOF

Section 401. **Use of Proceeds of 2013-14 TRANs**.

1. The City Manager shall cause the Trustee to establish and the Trustee shall establish the "2013-14 TRANs Proceeds Fund." The proceeds of sale of the 2013-14 TRANs

shall be transferred to the Trustee and deposited in the 2013-14 TRANs Proceeds Fund. The City Manager shall cause the Trustee to make disbursements and the Trustee shall make disbursements from the 2013-14 TRANs Proceeds Fund to pay current Fiscal Year 2013-14 expenditures and to discharge other obligations or indebtedness of the City in accordance with the Authorizing Law and the provisions of the Tax Certificate. The City Manager shall notify the City Council subsequent to any disbursements from the 2013-14 TRANs Proceeds Fund. Amounts on hand in the 2013-14 TRANs Proceeds Fund shall be accounted for separately from the other funds of the Trustee in accordance with standard accounting practices of the Trustee for such a separate account and shall be invested in Permitted Investments, so as to be available for the aforementioned disbursements. The Trustee shall keep a written record of all investments and investment earnings (including any investment of earnings) of amounts in the 2013-14 TRANs Proceeds Fund, as well as a written record of disbursements from the 2013-14 TRANs Proceeds Fund.

2. Without limiting the generality of subsection 1 of this Section, the City Manager is authorized to cause the Trustee to pay the fees and reasonable expenses incurred in connection with the authorization, sale and issuance of the 2013-14 TRANs out of moneys in the 2013-14 TRANs Proceeds Fund or any account in the General Fund of the City.

Section 402. **Payment and Security for the 2013-14 TRANs.** Pursuant to the Resolution, the City Manager shall cause to be established by the Trustee the "2013-14 TRANs Repayment Fund." The City Manager shall cause to be established by the Trustee any additional subaccounts therein if deemed necessary to effectuate the purposes of the Resolution. As provided in the Authorizing Law, the 2013-14 TRANs, and the interest thereon, are general obligations of the City, payable from certain unencumbered moneys, including the taxes, income, revenues, cash receipts, and other moneys deposited in inactive or term deposits, received or accrued by the City during Fiscal Year 2013-14 that are lawfully available for such purpose (collectively, the "Unrestricted Revenue"). Taxes, income, revenues, cash receipts and other moneys received by the City and encumbered for a special purpose shall not be available for payment of the 2013-14 TRANs (the "Unavailable Revenue"), unless an equivalent amount of the proceeds from the 2013-14 TRANs is set aside for and used for said special purpose. Unavailable Revenue shall include, but not be limited to: funds collected by or on behalf of the City for the City retirement fund, water fund and street lighting fund.

Section 4.03. **County Collected Revenues**. Pursuant to the Resolution, the Authorizing Law, this Accompanying Document and the Letter of Direction, the City has authorized the County to send to the Trustee (by wire or ACH transfer) for deposit, and the Trustee to accept and deposit, into the 2013-14 TRANs Repayment Fund, 100% of the County Collected Revenues on a monthly basis in accordance with this Section 403 and the transfer instructions set forth in the Letter of Direction and Exhibit C thereto.

The City has further directed the County to deliver to the Trustee all County Collected Revenues, and any other funds so directed for deposit by the City Manager, for deposit in the 2013-14 TRANs Repayment Fund held by the Trustee, for subsequent application per the terms of the Trust Agreement, until such time as the total amounts deposited and held in the 2013-14 TRANs Repayment Fund, from any source, equal the Repayment Amount.

To the extent that any amounts received pursuant to the foregoing paragraphs are less than the Repayment Amount, the City Manager shall cause to be deposited into, and the Trustee shall deposit into the 2013-14 TRANs Repayment Fund, no later than the Business Day prior to the Maturity Date, Unrestricted Revenues, and additional amounts from any other moneys of the City lawfully available therefor, until the amount on deposit in the 2013-14 TRANs Repayment Fund equals the Repayment Amount. To the extent any 2013-14 TRANs is not paid from the County Collected Revenue, such 2013-14 TRANs shall be paid, with the interest thereon, from Unrestricted Revenues, and any other moneys of the City lawfully available therefor. As provided in the Authorizing Law, the 2013-14 TRANs, and the interest thereon, are a first lien and charge against and are payable from the first moneys received by the City from such pledged moneys.

On the Maturity Date, the City shall cause the Trustee to pay and the Trustee shall pay from the 2013-14 TRANs Repayment Fund the principal and interest due on the 2013-14 TRANs so maturing on the Maturity Date, and such moneys in the 2013-13 TRANs Repayment Fund may not be used for any other purpose, although earnings may be invested in Permitted Investments so as to be available for disbursement and in no event for a term that exceeds the term of the 2013-14 TRANs, and earnings on amounts in the 2013-14 TRANs Repayment Fund shall be deposited as and when received into any account in the General Fund of the City as the City Manager may direct in a Written Direction. Any amounts remaining in the 2013-14 TRANs Repayment Fund after payment in full of principal of and interest on the 2013-14 TRANs, shall be the sole and exclusive property of the City, shall not be subject to any claims by or on behalf of any Owner of 2013-14 TRANs, and shall be transferred to the City for deposit into any account in the General Fund of the City as the City Manager may direct in a Written Direction.

The City does hereby grant a security interest in, convey, bargain, pledge, transfer and assign unto the Trustee, all of the City's right, title, and interest in and to the Unrestricted Revenues, including the County Collected Revenues, whether or not such County Collected Revenues has been deposited into the 2013-14 TRANs Repayment Fund, and the City further authorizes the Trustee to perfect the security interest granted hereby in the Unrestricted Revenues pursuant to applicable law. Upon the final payment of the principal of and interest on the 2013-14 TRANs, the security interest created herein shall automatically terminate and the Trustee is directed to make appropriate filings to evidence such termination.

ARTICLE V

CERTAIN COVENANTS; EVENTS OF DEFAULT AND REMEDIES

Section 501. **General Covenants and Representations**.

1. The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of the Authorizing Law, the Resolution, the Trust Agreement, the Direction Letter and this Accompanying Document.

2. Upon the date of issuance of the 2013-14 TRANs all conditions, acts and things required of the City by law, the Resolution and this Accompanying Document to exist, to

have happened and to have been performed precedent to and during the issuance of the 2013-14 TRANs, shall exist, shall have happened and shall have been performed, in due time, form and manner, and the issue of the 2013-14 TRANs, together with all other indebtedness of the City, shall be within all applicable debt and other limits prescribed by the laws of the State as of the date of such issuance.

3. The 2013-14 TRANs do not exceed, and the City shall not issue any notes, or otherwise incur any indebtedness, pursuant to the Authorizing Law with respect to Fiscal Year 2013-14 in an amount which, when added to the interest payable thereon, shall exceed, either 85% of the estimated amount of the then-uncollected taxes, income, revenue, cash receipts and other moneys of the City which will be available for the payment of said notes or other indebtedness and the interest thereon; provided, however, that to the extent that any principal of or interest on such notes or other indebtedness is secured by a pledge of the amount in any inactive or term deposit of the City, the term of which shall terminate during said Fiscal Year, such principal and interest may be disregarded in computing said limit.

Section 502. **Covenants Relating to the Code**. The City shall do the following with respect to the 2013-14 TRANs:

1. The City shall comply with each applicable requirement of the Code necessary to maintain the exclusion of interest on the 2013-14 TRANs from gross income for federal income tax purposes. To this end, the City agrees to comply with the provisions of the Tax Certificate. The City shall make all calculations as provided in the Tax Certificate relating to any rebate of excess investment earnings on the 2013-14 TRANs proceeds due to the United States Department of Treasury in a reasonable and prudent fashion and shall segregate and set aside the amounts such calculations indicate may be required to be paid to the United States Department of Treasury.

2. Notwithstanding any other provisions of this Accompanying Document to the contrary, so long as necessary to maintain the exclusion from gross income of interest on the 2013-14 TRANs, for federal income tax purposes, the covenants contained in this Section shall survive the payment of the 2013-14 TRANs, and the interest thereon.

3. Notwithstanding any other provision of this Accompanying Document to the contrary, upon the City's material failure to observe or refusal to comply with the covenants contained in this Section, the Owner, and any adversely affected former Owner, shall be entitled to the rights and remedies provided to Owner under this Accompanying Document.

Section 503. **Events of Default and Remedies**.

1. The following shall be Events of Default under the Resolution and this Accompanying Document and the term "Event of Default" whenever used in this Accompanying Document shall mean any one or more of the following:

(a) default shall be made in the due and punctual payment of the principal of, or interest on any 2013-14 TRANs when and as the same shall become due and payable; or

(b) default shall be made in the performance or observance by the City of any other of the material covenants, agreements or conditions required to be performed or observed by the City pursuant to the Resolution, this Accompanying Document or any 2013-14 TRANs, and such default shall continue for a period of 60 days after written notice thereof to the City by the Owner of not less than 10% in principal amount of the 2013-14 TRANs Outstanding.

2. Whenever any Event of Default shall have happened and shall be continuing, the Owner, and any adversely affected former Owner, of the 2013-14 TRANs, and their legal representatives, shall be entitled to take any and all actions available at law or in equity to enforce the performance of the covenants herein and in the Authorizing Law. Nothing herein shall preclude an individual Owner from enforcing his or her rights to payment of principal of or interest on 2013-14 TRANs.

ARTICLE VI

SUPPLEMENTAL RESOLUTIONS AND ACCOMPANYING DOCUMENT

Section 601. **Supplemental Resolutions and Accompanying Document Effective Without Consent of the Owner**. A Supplemental Resolution of the City may be adopted, or a supplemental Accompanying Document may be executed, for any one or more of the following purposes, which, without the requirement of consent of the Owner, shall be fully effective in accordance with its terms:

(a) to add to the covenants and agreements of the City in the Resolution or this Accompanying Document, as the case may be, other covenants and agreements to be observed by the City that are not contrary to or inconsistent with the Resolution or this Accompanying Document as theretofore in effect;

(b) to add to the limitations and restrictions in the Resolution or this Accompanying Document as the case may be, other limitations and restrictions to be observed by the City that are not contrary to or inconsistent with the Resolution or this Accompanying Document as theretofore in effect;

(c) to confirm as further assurance, any pledge under, and subject to any lien or pledge created or to be created by, the Resolution or this Accompanying Document, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution or this Accompanying Document;

(d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution or this Accompanying Document, as the case may be, as theretofore in effect; and

(e) to supplement or amend the Resolution or this Accompanying Document, as the case may be, in any other respect, provided that the City obtains an Opinion of Bond Counsel to the effect that such Supplemental Resolution or supplemental Accompanying Document does not adversely affect the interests of the Owner.

Section 602. **Supplemental Accompanying Document**. Except as provided in Section 701 hereof, any amendment of or supplement to this Accompanying Document and of the rights and obligations of the City and of the Owner of the 2013-14 TRANs under this Accompanying Document may be made by a supplemental Accompanying Document with the written consent of the Owner of at least a majority in principal amount of the 2013-14 TRANs Outstanding at the time such consent is given; provided, however, that if such supplement or amendment will, by its terms, not take effect so long as any 2013-14 TRANs of any particular Series remain Outstanding, the consent of the Owner of such Series shall not be required. No such supplement or amendment shall permit a change in the terms of maturity of the principal of any 2013-14 TRANs, or of the interest rate thereon or a reduction in the principal amount thereof, or shall change the dates or amounts of the pledges set forth in Section 402, or shall reduce the percentage of Owners required to approve any such ssupplemental Accompanying Document, without the consent of all of the Owners of affected 2013-14 TRANs, nor shall any such supplement or amendment change or modify any of the rights or obligations of any Trustee, if applicable, without its written consent thereto. The City shall provide the Rating Agencies notice of any supplemental Accompanying Document or Supplemental Resolution.

ARTICLE VII

MISCELLANEOUS

Section 701. **Moneys Held in Trust for One Year**. Anything in this Accompanying Document to the contrary notwithstanding, any moneys held in trust for the payment and discharge of any of the 2013-14 TRANs that remain unclaimed for a period of one year after the date when such 2013-14 TRANs have become due and payable, if such moneys were so held at such date, or for one year after the date of deposit of such moneys if deposited after the date when such 2013-14 TRANs, became due and payable, shall be repaid to the City, as its absolute property and free from trust, and the Owner shall thereafter look only to the City for the payment of such 2013-14 TRANs, from lawfully available funds; provided, however, that before any such payment is made to the City, the City shall create (and shall thereafter maintain until payment of all of the 2013-14 TRANs) a record of the amount so repaid, and the City shall cause to be published at least twice, at any interval of not less than seven days between publications, in the Authorized Newspapers, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed shall be returned to the City.

Section 702. **Certified Copies**. The City Clerk shall provide a certified copy of this Accompanying Document to the City Manager who is hereby authorized and directed to take such action as shall be necessary to assure compliance by the City with the terms and conditions hereof.

Section 703. **Funds, Accounts and Subaccounts.** Any fund, account or subaccount required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account, subaccount or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account, subaccount or a fund; but all such records with respect to all such accounts, subaccounts and funds shall at all times be maintained

in accordance with sound corporate trust industry practice and with due regard for the protection of the security of the 2013-14 TRANs, and the rights of the Owners with respect to the 2013-14 TRANs.

Section 704. **Article and Section Headings and References.** The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder" and other words of similar import refer to this Accompanying Document as a whole and not to any particular article, section, subdivision or clause hereof.

Section 705. **Partial Invalidity.** If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the City or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the 2013-14 TRANs and the Owner with respect to the 2013-14 TRANs shall retain all the benefit, protection and security afforded to them hereunder or any applicable provisions of law. The City and the Trustee hereby declare that they would have executed and delivered this Accompanying Document and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the 2013-14 TRANs pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 706. **Execution in Several Counterparts.** This Accompanying Document may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the City and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 707. **Governing Law.** This Accompanying Document shall be interpreted, governed and enforced in accordance with the laws of the State of California. If any party to this Accompanying Document initiates any legal or equitable action to enforce the terms of this Accompanying Document, to declare the rights of the parties under this Accompanying Document or which relates to this Accompanying Document in any manner, each such party agrees that the place of making and for performance of this Accompanying Document shall be Los Angeles County, State of California, and the proper venue for any such action shall be the Superior Court of the State of California, in and for the County of Los Angeles.

Section 708. **Notices.** All approvals, authorizations, consents, demands, designations, notices, offers, requests, statements or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States first class mail, postage prepaid,

IN WITNESS WHEREOF, I have set my hand onto this Accompanying Document Providing for the Terms and Conditions of Issuance and Sale of 2013-14 Tax and Revenue Anticipation Notes dated as of the day and year first above written.

CITY OF COMPTON

By: _____
G. Harold Duffey
City Manager

[Signature Page to Accompanying Document]

APPROVED:

CRAIG J. CORNWELL, CITY ATTORNEY:

By: _____
Craig J. Cornwell
City Attorney

[Counterpart Signature Page to Accompany Document]

ACKNOWLEDGED AND AGREED TO BY:

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Officer

[Counterpart Signature Page to Accompany Document]

ACKNOWLEDGED AND AGREED TO BY:

COUNTY OF LOS ANGELES

By: _____
Auditor-Controller

[Counterpart Signature Page to Accompany Document]

EXHIBIT A TO ACCOMPANYING DOCUMENT

FORM OF 2013-14 TRANs

THIS NOTE MAY NOT BE EXCHANGED OR TRANSFERRED EXCEPT AS PROVIDED IN THE RESOLUTION AND ACCOMPANYING DOCUMENT DESCRIBED HEREIN. THE NOTES ARE NOT TRANSFERABLE EXCEPT TO AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501A UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE PURCHASERS OF THE NOTES WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER.

United States of America
State of California
CITY OF COMPTON
2013-14 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

Interest Rate	Dated Date	Maturity Date	CUSIP Number
_____%	July 25, 2013	June 1, 2014	_____

Registered Owner: Cede & Co.

Principal Amount: $_____

Note Number: R-1

The City of Compton, a political subdivision of the State of California (herein called the "**City**"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner hereof, or registered assigns, interest at the Interest Rate specified above and the Principal Amount on the Maturity Date upon presentation and surrender of this note at the Principal Office of U.S. Bank National Association, as Trustee (the "**Trustee**"), in lawful money of the United States of America. Interest on this Note shall accrue from the Dated Date set forth above and shall be computed on the basis of a 360-day year comprised of 12 months of 30 days.

This Note is one of a duly authorized issue of notes of the City designated as its "2013-14 Tax and Revenue Anticipation Notes" (the "**Notes**"), issued in an aggregate principal amount of $_____ in full compliance with the Constitution and statutes of the State of California, particularly Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code being Sections 53850 to 53858, inclusive, as amended and Section 1403 of the City Charter of the City (collectively, the "Authorizing Law") and under and pursuant to the resolution of the City Council of the City, adopted on July 23, 2013, entitled "A Resolution of the Council of The City of Compton, California Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes for Fiscal Year 2013-14 in an Aggregate Principal Amount not to exceed $10,600,000," (such resolution, as the same may be amended or supplemented from time to time, is herein called the "**Resolution**"), and is issued on the terms and conditions set forth in the Accompanying Document, dated as of July 1, 2013, entitled "Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2013-14 Tax and Revenue Anticipation Notes" (as the same may be amended or supplemented from time to time, is herein called the "**Accompanying Document**"). Capitalized terms used and not otherwise defined shall have the meanings given such terms in the Accompanying Document. Copies of the Resolution and the Accompanying Document are on file at the office of the Clerk of the City

Council, and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof, to the Accompanying Document and any and all supplements thereto and modifications and amendments thereof, and to the Authorizing Law is made for a complete statement of such terms and conditions.

The 2013-14 TRANs and the interest thereon are ratably secured by a pledge, and accompanying security interest granted, by the City of certain unrestricted taxes, income, revenue, cash receipts and other moneys attributable solely to the City's Fiscal Year 2013-14, as more fully described in the Accompanying Document. In accordance with California law, the 2013-14 TRANs are general obligations of the City but payable from taxes, income, revenues, cash receipts and other moneys of the City, including moneys deposited in inactive or term deposits (but excepting certain moneys which, when received by the City, will be encumbered for a special purpose unless an equivalent amount of the proceeds from said Notes is set aside for and used for said special purpose) received or accrued by the City during Fiscal Year 2013-14 that are lawfully available for payment of the 2013-14 TRANs, and the interest thereon (collectively, the "**Unrestricted Revenues**"). Pursuant to the Authorizing Law and the Direction Letter, the City has directed from the Unrestricted Revenues available for the payment of principal of and interest on the 2013-14 TRANs and deposited in the 2013-14 TRANs Repayment Fund as security for the 2013-14 TRANs. The City Manager shall cause to be deposited into the 2013-14 TRANs Repayment Fund (subject to the provisions set forth in the Accompanying Document) all County Collected Revenues collected by the County allocated or attributable to the City until the amounts in the 2013-14 TRANs Repayment Fund, from any source, shall equal the Repayment Amount. To the extent not paid from the County Collected Revenues pledged for the repayment thereof as more fully described in the Accompanying Document, the 2013-14 TRANs shall be paid with the interest thereon from any other moneys of the City lawfully available therefor.

The 2013-14 TRANs, may not be exchanged for other Notes except as provided in the Accompanying Document.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution and the Accompanying Document, or any supplemental resolution amending the Resolution and the Accompanying Document, may be amended by the City; provided, however, that no such amendment shall permit a change in the terms of maturity, the principal of any Note or of the then prevailing interest thereon or a reduction in the principal amount thereof without the consent of the owners of such Notes or shall reduce the percentage of Notes, the consent of the owners of which, is required to effect any such amendment or change the dates or amounts of the pledges set forth in the Resolution.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution and the Accompanying Document to exist, to have happened and to have been performed precedent to and during the issuance of the 2013-14 TRANs, do exist, have happened and have been performed, in due time, form and manner, as required by law and the Resolution and the Accompanying Document, and that the 2013-14 TRANs, together with all other indebtedness of the City, is within every debt and other limit prescribed by the laws of the State of California.

IN WITNESS WHEREOF, THE CITY OF COMPTON has caused this Note to be signed in its name and on its behalf by the manual or facsimile signature of the City Manager of the City and attested to by the City Clerk as of the Dated Date set forth above.

CITY OF COMPTON

_____
City Manager

ATTEST:

CITY CLERK

By: _____
City Clerk

CERTIFICATE OF AUTHENTICATION

This Note is one of the 2013-14 TRANs delivered pursuant to the within-mentioned Resolution.

DATED: July ___, 2013

U.S. Bank National Association, as Trustee

BY: _____
Authorized Officer

#23.

ASSIGNMENT

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Note and hereby irrevocably constitute(s) and appoint(s)_____ attorney, to transfer the same on the Note Register of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature of Registered Owners: _____

Signature Guaranteed by: _____

Note: The signature on this Assignment must correspond with the name as written on the face of the within note in every particular, without alteration or enlargement or any change whatsoever and must be guaranteed by a commercial bank, trust company, or a member firm of the New York Stock Exchange.

DRAFT 7/16/13

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED JULY ____, 2013

OFFERED ONLY TO ACCREDITED INVESTORS

NEW ISSUE, BOOK-ENTRY ONLY **NO RATING**

See "NO RATING" herein

In the opinion of Bond Counsel, subject to the limitations and conditions described herein, interest on the Notes (as defined below) is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions, as noted in "TAX MATTERS" herein. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

$10,600,000*
CITY OF COMPTON, CALIFORNIA
2013-14 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

Interest Rate: ____% **Yield: ____%** **CUSIP: _____**

Dated Date: Day of Delivery **Maturity Date: June 1, 2014**

The City of Compton, California (the "City") is issuing its $10,600,000* 2013-14 Tax and Revenue Anticipation Notes, Series A (the "Notes") for the purpose of financing Fiscal Year 2013-14 expenditures, including, but not limited to, current expenses, capital expenditures and the discharge of other obligations of the City. In accordance with California law, the Notes are general obligations of the City payable from the taxes, income, revenue, cash receipts and other moneys that are received or accrued by (or allocable to) the City during Fiscal Year 2013-14 that are lawfully available for the payment of the Notes and interest thereon, but exclusive of any moneys that when received will be encumbered for a special purpose (as more particularly described herein, the "Unrestricted Revenues"). In accordance with a Direction Letter from the City to the County of Los Angeles (the "County"), the Auditor-Controller of the County will transfer County Collected Revenues (as defined herein), which comprise a portion of Unrestricted Revenues, to the Trustee (as defined below) for deposit in an account to be held in trust solely for the benefit of the holders of the Notes (the "Repayment Fund"). As provided in Title 5, Division 2, Part 1, Chapter 4, Article 7.6 (Sections 53850 to 53858 of the Government Code of the California) (the "Law"), the Notes and the interest thereon will be a valid lien and charge against, and will be payable from, the first moneys received by the City comprising the Unrestricted Revenues. To the extent that any amounts so received are less than the total dollar amount designated for such deposit in the Repayment Fund, additional amounts will be deposited into the Repayment Fund from any other moneys of the City lawfully available therefor, as more particularly described herein. The Repayment Fund is to be held in trust by U.S. Bank National Association, Los Angeles, California, as trustee, paying agent and note registrar for the Notes (the "Trustee"). See "THE NOTES – Security and Sources of Payment for the Notes."

The Notes will be issued in fully registered form, without coupons, at the interest rate stated above. The Notes, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Purchase of the Notes will be made only through DTC participants under the book-entry system maintained by DTC. The Purchaser (as defined herein) will not receive a certificate representing its ownership interest in the Notes. Principal of and interest on the Notes are payable on the Maturity Date of the Notes. The Notes will not be subject to redemption prior to maturity. The Notes may not be transferred or exchanged. See "THE NOTES" and "BOOK-ENTRY ONLY SYSTEM."

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY AND IS NOT A SUMMARY OF THE TRANSACTION. INVESTORS MUST READ THE ENTIRE LIMITED OFFERING MEMORANDUM TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. SEE "THE NOTES – SECURITY AND SOURCES OF PAYMENT FOR THE NOTES," "RISK FACTORS," AND "CITY FISCAL CRISIS" HEREIN.

This Limited Offering Memorandum relates only to the purchase of the Notes as of their date of delivery and should not be relied upon after such date.

The Notes are offered when, as and if executed and delivered by the City and received by the Purchaser, subject to the approval as to their legality by Peck, Shaffer & Williams LLP, Atlanta, Georgia, Bond Counsel to the City. Certain other legal matters will be passed upon for the City by the City Attorney, by the City's Special Counsel, Seyfarth Shaw, LLP, and by the City's Disclosure Counsel, Peck, Shaffer & Williams LLP, Atlanta, Georgia. Comer Capital Group, LLC, Jackson, Mississippi, is serving as Financial Advisor for the City. It is expected that the Notes will be available through the facilities of DTC in New York, New York for delivery on or about July _____, 2013.

Dated: _____, 2013

IFS SECURITIES, INC.

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

* Preliminary, subject to change.

No dealer, broker, salesperson, or other person has been authorized by the City to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the City. This Limited Offering Memorandum does not constitute an offer to sell nor the solicitation of an offer to buy, nor shall there be any sale of the Notes by a person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Limited Offering Memorandum is not to be construed as a contract with the purchaser of the Notes. Statements contained in this Limited Offering Memorandum that involve estimates, forecasts, or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts. No representation is made that any past experience, as shown by any financial or other information herein, will necessarily continue or be repeated in the future. The information set forth in this Limited Offering Memorandum has been obtained from official sources and other sources, which are believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by, the City.

The information and expressions of opinions herein are subject to change without notice and neither delivery of this Limited Offering Memorandum nor any sale made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. This Limited Offering Memorandum is submitted with respect to the original issuance and sale of the Notes referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of the documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

CUSIP data on the cover hereof are provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association. CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers are provided for convenience of reference only. Neither the City nor the Underwriter (as defined herein) assumes any responsibility for the selection or uses of, or for the accuracy or correctness of, such data.

Certain statements in this Limited Offering Memorandum, which may be identified by the use of such terms as "plan," "expect," "estimate," "project," "budget" or other similar words, constitute "forward-looking statements." Such forward-looking statements include, but are not limited to, statements under the caption "RISK FACTORS" and in "APPENDIX B: CITY OF COMPTON CASH FLOW PROJECTIONS." Such forward-looking statements refer to the achievement of certain results or other expectations of performance which involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors may cause actual results, performance or achievements to be materially different from any projected results, performance or achievements described or implied by such forward-looking statements. The City does not plan to issue updates or revisions to such forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur, or if actual results, performance or achievements are materially different from any results, performance or achievements described or implied by such forward-looking statements.

EACH PURCHASER OF NOTES WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER IN THE FORM ATTACHED HERETO AS "APPENDIX F: INVESTMENT LETTER" (THE INVESTMENT LETTER") IN WHICH, AMONG OTHER MATTERS, SUCH PURCHASER WILL REPRESENT THAT IT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501 UNDER THE SECURITIES ACT OF 1933. THE NOTES MAY BE TRANSFERRED ONLY TO ACCREDITED INVESTORS.

CITY OF COMPTON
County of Los Angeles, California

CITY COUNCIL

Janna Zurita (District 1)
Isaac Galvan (District 2)
Yvonne Arceneaux (District 3)
Dr. Willie O. Jones (District 4)
Aja Brown, Mayor

CITY STAFF

Craig J. Cornwell, City Attorney
Alita Godwin, CMC, City Clerk
Douglas Sanders, City Treasurer
G. Harold Duffey, City Manager

BOND AND DISCLOSURE COUNSEL

PECK, SHAFFER & WILLIAMS LLP
Atlanta, Georgia

SPECIAL COUNSEL TO THE CITY

SEYFARTH SHAW LLP
Los Angeles, California

TRUSTEE

U.S. BANK NATIONAL ASSOCIATION
Seattle, Washington

FINANCIAL ADVISOR

COMER CAPITAL GROUP, LLC
Jackson, Mississippi

UNDERWRITER

IFS SECURITIES, INC.
Atlanta, Georgia

#23.

TABLE OF CONTENTS

Page

INTRODUCTION 1
General 1
The City 1
Security and Sources of Payment for the Notes 2
General Description of the Notes 2
Tax Matters 2
Continuing Disclosure 2
Investment Considerations and Risk Factors 3
Miscellaneous 3
THE NOTES 4
General 4
Security and Sources of Payment for the Notes 4
Repayment Fund 5
Available Sources of Repayment 6
Additional Cash Flow Borrowing 7
Use and Investment of Note Proceeds 7
BOOK-ENTRY ONLY SYSTEM 7
CITY FISCAL CRISIS 10
Cash Flow 10
Allegations of Waste, Fraud, and Abuse of Public Monies 11
Impact on Availability of Financial Statements 12
Impact on Ratings 12
RISK FACTORS 12
No Rating 12
Limited Transfer or Exchange of Notes 12
City Fiscal Crisis 13
Current and Future Obligations 13
No Liability of County 13
Enforceability of Remedies 13
Los Angeles County Treasury Pool 14
Taxation of Notes 14
CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS 15
Article XIII A 15
Article XIII B 16
Proposition 62 17
Proposition 218 18
Proposition 1A 19
Proposition 22 20
Proposition 26 20
Future Initiatives 21
TAX MATTERS 21
Opinion of Bond Counsel 21
Certain Ongoing Federal Tax Requirements and Covenants 22
Certain Collateral Federal Tax Consequences 22
Information Reporting and Backup Withholding 23
Miscellaneous 23
CERTAIN LEGAL MATTERS 23
FINANCIAL ADVISOR 23

TABLE OF CONTENTS
(continued)

Page

LITIGATION 24
NO RATING 24
CONTINUING DISCLOSURE 24
FINANCIAL STATEMENTS 24
ADDITIONAL INFORMATION 25

APPENDIX A FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF COMPTON A-1
APPENDIX B CITY OF COMPTON CASH FLOW PROJECTIONS B-1
APPENDIX C-1 CITY OF COMPTON UNAUDITED ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011 ..... C-1
APPENDIX C-2 CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF JUNE 2012 ..... C-2
APPENDIX C-3 CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF MAY 2013 ..... C-3
APPENDIX D FORM OF OPINION OF BOND COUNSEL D-1
APPENDIX E FORM OF CONTINUING DISCLOSURE AGREEMENT E-1
APPENDIX F FORM OF INVESTMENT LETTER F-1
APPENDIX G SIGNED COPY OF RESOLUTION G-1
APPENDIX H FORM OF ACCOMPANYING DOCUMENT H-1
APPENDIX I FORM OF DIRECTION LETTER I-1
APPENDIX J FORM OF TRUST AGREEMENT J-1
APPENDIX K COPIES OF MACIAS GINI & O'CONNELL LLP REPORTS K-1

LIMITED OFFERING MEMORANDUM

$10,600,000*
CITY OF COMPTON, CALIFORNIA
2013-14 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

INTRODUCTION

This introduction contains only a brief summary of certain of the terms of the Notes being offered, and a brief description of this Limited Offering Memorandum. All statements contained in this introduction are qualified in their entirety by reference to the entire Limited Offering Memorandum. References to, and summaries of, provisions of the Constitution and laws of the State of California and any documents referred to herein do not purport to be complete and such references are qualified in their entirety by reference to the complete provisions. This Limited Offering Memorandum speaks only as of its date, and the information contained herein is subject to change.

General

This Limited Offering Memorandum, which includes the cover and Appendices attached hereto, provides information concerning the sale and delivery of $10,600,000* City of Compton, California 2013-14 Tax and Revenue Anticipation Notes, Series A (the "Notes"). The Notes are issued pursuant to the Charter of the City of Compton (as amended, the "City Charter") and the Constitution and laws of the State of California (the "State"), including Title 5, Division 2, Part 1, Chapter 4, Article 7.6 (Sections 53850 to 53858 of the Government Code of the State) (the "Law"). The Notes are authorized pursuant to a resolution of the City Council (the "City Council") of the City of Compton, California (the "City") adopted on _____, 2013 (the "Resolution") and the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2013-14 Tax and Revenue Anticipation Notes, Series A, dated as of July 1, 2013 (the "Accompanying Document"). The Notes are being issued for the purpose of financing Fiscal Year 2013-14 (July 1, 2013 to June 30, 2014) expenditures, including, but not limited to, current expenses, capital expenditures and the discharge of other obligations of the City. The City may, under the Law, issue the Notes only if the principal of and interest on the Notes will not exceed eighty-five percent (85%) of the estimated Unrestricted Revenues (as defined herein) legally available for the payment of the Notes. Capitalized terms used but not defined herein have the meanings assigned to them in the Resolution or the Accompanying Document, as applicable.

The City

The City is a municipal corporation and charter city organized and existing under the Constitution and laws of the State. The City Charter provides for the election, organization, powers and duties of the legislative branch, known as the City Council; the powers and duties of the executive and administrative branches; fiscal administration; and public utilities and franchises. The City Council governs the City and is composed of five members, four who are residents of their respective City Council districts, and one member who is nominated and elected from the City at large to hold the office of Mayor. The Mayor is the presiding officer of the City Council and is the official head of the City. Other elected officers of the City are the City Clerk, the City Treasurer and the City Attorney. All City Council members and other elected officers serve for a term of four years, without term limits. The City Council appoints the City Manager, who is the chief executive officer and the head of the administrative branch of the City government.

* Preliminary, subject to change.

The City is located in the geographical center of the County of Los Angeles (the "County"), between the greater Los Angeles and Long Beach metropolitan areas. The City had approximately 97,508 residents as of January 1, 2012 and encompasses an area of approximately 10.2 square miles.

Security and Sources of Payment for the Notes

Under the Law, the Notes are general obligations of the City payable only out of Unrestricted Revenues (as defined herein) received or accrued by (or allocable to) the City during Fiscal Year 2013-14 that are lawfully available for payment of the Notes and the interest thereon. In accordance with a Direction Letter from the City to be dated the date of delivery of the Notes (the "Direction Letter") to the County, the Auditor-Controller of the County will transfer County Collected Revenues (as defined herein), which are a portion of Unrestricted Revenues, to the Trustee for deposit in the Repayment Fund. As provided in the Law, the Notes and the interest thereon will be a valid lien and charge against, and will be payable from, the first moneys received by the City comprising the Unrestricted Revenues. To the extent that any amounts so received are less than the total dollar amount designated for such deposit in the Repayment Fund, additional amounts will be deposited into the Repayment Fund from any other moneys of the City lawfully available therefor, as described below. The Repayment Fund is to be held in trust by U.S. Bank National Association, Los Angeles, California, as trustee, paying agent and note registrar for the Notes (the "Trustee") pursuant to the Trust Agreement, dated as of July 1, 2013 (the "Trust Agreement"), by and between the City and the Trustee. The City expects that the aggregate amounts required to be deposited in the Repayment Fund will be sufficient to repay the Notes and accrued interest thereon when due. See "THE NOTES – Security and Sources of Payment for the Notes" herein.

General Description of the Notes

The Notes will be delivered in fully registered form, without coupons. The Notes will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, securities depository of the Notes. Purchase of the Notes will be made in book-entry form only. The purchaser of the Notes (the "Purchaser") will not receive a certificate representing its ownership interest in the Notes. See "BOOK-ENTRY ONLY SYSTEM" herein. The principal of and interest on the Notes will be paid on June 1, 2014 (the "Maturity Date") by the Trustee to DTC, which will in turn remit such principal and interest to the Purchaser.

The Notes are not subject to redemption prior to maturity and may not be transferred or exchanged.

See "THE NOTES" herein for more information.

Tax Matters

In the opinion of Bond Counsel, subject to the limitations and conditions described herein, interest on the Notes is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions, as noted in "TAX MATTERS" herein. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

Continuing Disclosure

The City has covenanted in the Resolution and the Continuing Disclosure Agreement dated as of the dated date of the Notes (the "Continuing Disclosure Agreement"), by and between the City and U.S.

Bank National Association, as dissemination agent, to file notices of certain events (each, a "Listed Event") with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system or as otherwise directed by the MSRB or the Securities and Exchange Commission (the "SEC"). See "APPENDIX E: FORM OF CONTINUING DISCLOSURE AGREEMENT" for an enumeration of the Listed Events.

The City has failed to timely file certain annual reports, notices of failure to file annual reports, and notices of rating changes required to be filed pursuant to continuing disclosure agreements entered into by the City and the respective dissemination agents thereunder pursuant to Rule 15c2-12(b)(5) (the "Rule") of the SEC within the past five years.

See "CONTINUING DISCLOSURE" below for more information.

Investment Considerations and Risk Factors

THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. SEE "THE NOTES - SECURITY AND SOURCES OF PAYMENT FOR THE NOTES," "RISK FACTORS" AND "NO RATING" HEREIN. THE DISCUSSION OF RISK FACTORS HEREIN IS NOT, AND IS NOT INTENDED TO BE, COMPREHENSIVE OR EXHAUSTIVE.

Miscellaneous

The descriptions herein of the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter are qualified in their entirety by reference to such documents, and the descriptions herein of the Notes are qualified in their entirety by the form thereof and the information with respect thereto included in the aforementioned documents. Copies of the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter are on file and available for inspection at the City from the offices of the Trustee at U.S. Bank National Association, 633 West Fifth Street, 24th Floor, Los Angeles, California 90071, Attention: Corporate Trust Services.

The information and expressions of opinion herein speak only as of their date and are subject to change without notice. Neither the delivery of this Limited Offering Memorandum nor any sale made in connection therewith nor any future use of this Limited Offering Memorandum shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. The Underwriter (as defined herein) has reviewed the information in this Limited Offering Memorandum, but the Underwriter does not guarantee the accuracy or completeness of such information.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

The City regularly prepares a variety of reports, including audits, budgets and related documents, as well as certain monthly activity reports. The Owner of the Notes may obtain a copy of any such report, as available, from the City. Such reports are not incorporated herein by this reference.

THE NOTES

General

The Notes will be issued in the aggregate principal amount of $10,600,000*, will be dated their date of issuance and delivery, and will mature on June 1, 2014. The Notes will bear interest at the rate per annum set forth on the cover page hereof, computed on the basis of a 360-day year comprised of 12 months of 30 days each. Interest on the Notes will be payable at maturity.

The Notes are not subject to redemption prior to maturity.

THE NOTES ARE NOT TRANSFERABLE EXCEPT TO AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501 UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE PURCHASERS OF THE NOTES WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER, THE FORM OF WHICH IS ATTACHED HERETO AS APPENDIX F.

The Trustee will serve as trustee, paying agent and note registrar for the Notes. The Notes are to be delivered as fully registered Notes, without coupons, and, when delivered, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as initial securities depository of the Notes. Purchase will be made in book-entry form only in the principal amount of the Notes. See "BOOK-ENTRY ONLY SYSTEM" herein.

Security and Sources of Payment for the Notes

General. Under the Law, the Notes and the interest thereon are general obligations of the City payable from the taxes, income, revenues, cash receipts and other moneys of the City, including moneys deposited in inactive or term deposits (but excepting certain moneys which, when received by the City, will be encumbered for a special purpose unless an equivalent amount of the proceeds from the Notes is set aside for and used for such special purpose) received or accrued by (or allocable to) the City during Fiscal Year 2013-14 that are lawfully available for payment of the Notes and the interest thereon (collectively, the "Unrestricted Revenues"). The Unrestricted Revenues include the 1% property tax labeled account number "132.01- City-Compton TD #1" by the County of Los Angeles Auditor/Controller, vehicle licensing fee revenues, and sales and use tax revenues collected by the County on behalf of the City (collectively, the "County Collected Revenues").

Pursuant to the Resolution and the Accompanying Document, and in accordance with the Law and the City Charter, the City will pledge from the Unrestricted Revenues available for the payment of principal of and interest on the Notes as security for the Notes, and the City Manager will cause to be deposited into the 2013-14 TRANs Repayment Fund created pursuant to the Accompanying Document and held in trust by the Trustee (the "Repayment Fund") (subject to the provisions of the Accompanying Document as described below), all County Collected Revenues allocated or attributable to the City until the amounts in the Repayment Fund equal the principal of and interest due on the Notes, plus an amount, if any, equal to the rebate amount calculated to be due to the United States Treasury. In accordance with the Direction Letter, the City will direct the Auditor-Controller of the County to transfer, and the Auditor-Controller of the County will transfer, the County Collected Revenues to the Trustee for deposit in the Repayment Fund. The terms of the Direction Letter are irrevocable and will not terminate until the amounts in the Repayment Fund equal the principal of and interest due on the Notes, plus an amount, if any, equal to the rebate amount calculated to be due to the United States Treasury.

To the extent that any amounts received, as described in the preceding paragraph, are less than the total dollar amount designated for such deposit in the Repayment Fund, the City Manager will cause to be deposited and the Trustee will deposit into the Repayment Fund additional amounts from any other moneys

of the City lawfully available therefor. To the extent any Note is not paid from the County Collected Revenues, such Note will be paid with the interest thereon from any other moneys of the City lawfully available therefor. As provided in the Law, the Notes and the interest thereon are a valid lien and charge against, and are payable from, the first moneys received by the City comprising Unrestricted Revenues.

On the Maturity Date of the Notes, the Trustee will pay from the County Collected Revenues the principal and interest due on the Notes, and such County Collected Revenues may not be used for any other purpose, although earnings may be invested in Permitted Investments as described in the Accompanying Document so as to be available for disbursement and in no event for a term that exceeds the term of the Notes, and earnings on amounts in the Repayment Fund will be deposited as and when received into the General Fund of the City. Any amounts remaining in the Repayment Fund after payment of principal of and interest on the Notes will be the sole and exclusive property of the City, will not be subject to any claims by or on behalf of any holder of Notes and will be transferred to the City for deposit into any account in the General Fund of the City as the City Manager may direct.

Please see "APPENDIX H: FORM OF ACCOMPANYING DOCUMENT" for more information and a complete description of the Security and Sources of Payment for the Notes.

County Collected Revenues. The following Table 1 sets forth the County Collected Revenues received by the City during Fiscal Years 2008-09 through 2012-13.

TABLE 1
City of Compton
County Collected Revenues [(1)]
Fiscal Years 2008-09 through 2012-13

Fiscal Year	Property Tax[(2)]	VLF	Sales Tax	Total
2008-09	$3,513,069	$8,418,035	$1,637,490	$13,568,595
2009-10	3,271,805	8,203,159	1,485,420	12,960,385
2010-11	1,454,612	7,595,366	1,851,753	10,901,731
2011-12	2,999,362	7,682,171	1,439,626	12,121,159
2012-13	3,195,018	7,940,326	1,827,591	12,962,935

Source: City of Compton

(1) Unaudited.
(2) Property Tax Revenues reflect collections from the 1% ad valorem property tax levy. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS – Article XIII A" in the forepart of the Limited Offering Memorandum.

Repayment Fund

In accordance with the provisions of the Resolution and the Accompanying Document, the City Manager will cause to be established by the Trustee the Repayment Fund, to be held in trust by the Trustee, and all County Collected Revenues are to be deposited with the Trustee into the Repayment Fund as required by the terms of the Resolution and the Accompanying Document. Moneys in the Repayment Fund are to be invested in Permitted Investments (as defined below) that provide sufficient liquidity so that moneys will be available no later than the Maturity Date of the Notes. Moneys in the Repayment Fund are to be used to pay the Notes and the interest thereon when and as they become due and payable, and amounts necessary to pay any rebate requirement as provided in the Resolution and the Accompanying Document, and may not be used for any other purposes. Any amounts remaining in the Repayment Fund after payment of principal of and interest on the Notes will be the sole and exclusive property of the City,

will not be subject to any claims by or on behalf of any holder of Notes and will be transferred to City for deposit into any account in the General Fund of the City as the City Manager may direct.

"Permitted Investments" consist of any of the following securities, provided that in no event shall any Permitted Investment mature or otherwise be repayable such that moneys will be available later than the Maturity Date: (i) United States Treasury bills, bonds, and notes for which the full faith and credit of the United States are pledged for payment of principal and interest; (ii) direct obligations issued by the following agencies of the United States Government: the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Tennessee Valley Authority; (iii) mortgage backed securities (except stripped mortgage securities) issued by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association; (iv) United States Treasury Obligations, State and Local Government Series; (v) issues guaranteed as to timely payment of principal and interest by the full faith and credit of the Federal Deposit Insurance Corporation (clauses (i) through (v), "Federal Securities"); (vi) Commercial Paper having original maturities of not more than the Maturity Date of the Notes, payable in the United States of America and issued by corporations that are organized and operating in the United States with total assets in excess of $500 million and having an "A" or better rating for the issuer's long term debt as provided by Moody's, S&P, or Fitch and "P-1", "A-1", "F1" or better rating for the issuer's short term debt as provided by Moody's, S&P, or Fitch, respectively; (vii) bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which have short term obligations outstanding which are rated by two Rating Agencies in their respective highest short term rating categories, a long term debt rating of not less than "A" by a Rating Agency, and a maturity no later than the Maturity Date of the Notes; (viii) negotiable or non-negotiable certificates of deposit issued by a nationally or state chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state licensed branch of a foreign bank, in each case which has, or which is a subsidiary of a parent company which has, obligations outstanding having a rating in the "A" category or better from S&P, Moody's, or Fitch; (ix) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association, or a state licensed branch of a foreign bank, having a minimum permanent capital of one hundred million dollars ($100,000,000) and with short term debt rated by two Rating Agencies in their respective three highest short term rating categories or any government bond dealer reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York, which agreement is secured by any one or more of the Federal Securities and having maturities equal to or less than 5 years from the date of delivery, which shall have a market value (valued at least monthly) not less than 102% of the principal amount of such investment; (x) shares of beneficial interest issued by diversified management companies, known as money market funds which invest in securities described in clauses (i)–(ix) above, registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a 1 *et seq.*) and whose fund has received the highest possible rating from S&P and at least one other Rating Agency; (xi) investment agreements and guaranteed investment contracts with issuers having a long term debt rating of at least "AA" or "Aa2" by S&P or Moody's, respectively; (xii) the Los Angeles County Treasury Pool; or (xiii) the Local Agency Investment Fund created pursuant to Section 16429.1 of the Government Code of the State.

Available Sources of Repayment

As described above in "–Security and Sources of Payment for the Notes," the Notes, in accordance with the Law, are general obligations of the City payable from Unrestricted Revenues, which include the taxes, income, revenue, cash receipts and other moneys of the City received or accrued by (or allocable to) the City during Fiscal Year 2013-14 that are lawfully available for the payment of the Notes and interest thereon. The Constitution of the State substantially limits the City's ability to levy *ad valorem* taxes and

increase fees charged for services of the City. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS" herein.

Additional Cash Flow Borrowing

The City currently expects that, other than the Notes, it will not issue any other notes or warrants for cash flow borrowing purposes with respect to Fiscal Year 2013-14.

Use and Investment of Note Proceeds

The net proceeds of sale of the Notes will be transferred to the Trustee and deposited in the 2013-14 TRANs Proceeds Fund established by the Trustee at the direction of the City Manager (the "Proceeds Fund"). The City Manager will cause the Trustee to make disbursements and the Trustee will make disbursements from the Proceeds Fund to pay Fiscal Year 2013-14 expenditures and discharge other obligations or indebtedness of the City in accordance with the Law and the instructions and agreements set forth in the Tax Certificate of the City. Amounts in the Proceeds Fund will be invested in Permitted Investments.

BOOK-ENTRY ONLY SYSTEM

The following information concerning The Depository Trust Company, New York, New York and its book-entry system has been obtained from sources the City believes to be reliable; however, the City takes no responsibility as to the accuracy or completeness thereof. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued in the aggregate principal amount of the Notes and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on this website is not incorporated by reference herein.

Purchase of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of the Purchaser of the Notes ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. The Beneficial Owner will not receive written confirmation from DTC of its purchase. The Beneficial Owner is, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of its holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. The Beneficial Owner will not receive a certificate representing its ownership interest in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

The Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owner of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owner. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to the Beneficial Owner will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. The Beneficial Owner of the Notes may wish to take certain steps to augment the transmission to it of notices of significant events with respect to the Notes, such as defaults and proposed amendments to the Resolution and the Accompanying Document. For example, the Beneficial Owner of the Notes may wish to ascertain that the nominee holding the Notes for its benefit has agreed to obtain and transmit notices to the Beneficial Owner. In the alternative, the Beneficial Owner may wish to provide its name and address to the Trustee and request that copies of notices be provided directly to it.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments with respect to the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Trustee on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to the Beneficial Owner will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or its nominee, the Trustee or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest and premiums, if any, and purchase prices, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owner will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

#23.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered to DTC.

In accordance with the Resolution and the Accompanying Document, in the event (a) DTC determines not to continue to act as securities depository for the Notes or (b) the City determines that DTC shall no longer so act, and delivers a written certificate to DTC to that effect, then the City will discontinue the book-entry system for the Notes with DTC. If the City determines to replace DTC with another qualified securities depository, the City will prepare or direct the preparation of and execute, and the Trustee will authenticate and deliver, subject to any limitation on maximum principal amount imposed by the successor securities depository, a new single, separate fully registered note for the aggregate outstanding principal amount of the Notes held by DTC, registered in the name of such successor or substitute qualified securities depository or its nominee, or make such other arrangement reasonably acceptable to the City and the successor securities depository. If the City fails to identify another qualified successor securities depository to replace DTC, then the Notes will no longer be restricted to being registered in the note register in the name of DTC or its nominee, but will be registered in whatever name or names the securities depository or its nominee designate. In such event the City will prepare or direct the preparation of and execute, and the Trustee will authenticate and deliver to the holders thereof, such Notes as are necessary or desirable in accordance with the Accompanying Document. Interested persons should contact the City or the Trustee for further information regarding such provisions of the Resolution and the Accompanying Document.

Each payment to DTC or its nominee will be valid and effective to satisfy and discharge fully the obligations of the City and the Trustee with respect to the principal of or interest on the Notes to the extent of the sum or sums so paid. The City may treat and consider the person in whose name the Note is registered in the note register as the absolute owner of such Note for purpose of payment of principal of and interest on such Note and for all other purposes whatsoever.

THE CITY AND THE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNER OF THE NOTES (I) PAYMENTS OF PRINCIPAL OF AND INTEREST EVIDENCED BY THE NOTES, (II) CONFIRMATIONS OF OWNERSHIP INTERESTS IN THE NOTES OR (III) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED HEREIN.

NEITHER THE CITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY, OBLIGATION OR LIABILITY TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OR COMPLETENESS OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF ANY AMOUNT DUE TO THE BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF ANY NOTICE TO THE BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS UNDER THE TERMS OF THE RESOLUTION OR THE ACCOMPANYING DOCUMENT; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE NOTES.

CITY FISCAL CRISIS

Cash Flow

For fiscal years 2009 through 2013, total City-wide expenditures exceeded total City-wide revenues. For fiscal years 2009 through 2012, General Fund expenditures exceeded General Fund revenues. However, for fiscal year 2013, General Fund revenues exceeded General Fund expenditures. The following Table 2 sets forth revenues and expenditures for Total Governmental Funds and the General Fund during Fiscal Years 2008-09 through 2012-13.

TABLE 2
Total Governmental Funds And General Fund
Revenues And Expenditures [1]
Fiscal Years 2008-09 Through 2012-13
($ in millions)

	Total Governmental Funds			General Fund		
Fiscal Year	**Revenues**	**Expenditures**	**Surplus/(Deficit)**	**Revenues**	**Expenditures**	**Surplus/(Deficit)**
2008-09	$123.41	$133.92	$(10.51)	$48.49	$58.67	$(10.18)
2009-10	137.18	184.64	(47.46)	61.15	70.00	(8.85)
2010-11	125.63	170.80	(45.17)	44.19	69.18	(24.99)
2011-12	149.86	162.27	(12.41)	45.54	48.44	(2.90)
2012-13	149.57	157.23	(7.66)	46.61	45.40	1.21

Source: City of Compton

[1] Excludes Transfers In and Transfers Out.

As noted in the Independent Auditors' Report related to the City's financial statements for the fiscal year ended June 30, 2011 (the "2011 Financial Statements"), the City has suffered "substantial recurring losses in its General Fund." The 2011 Financial Statements evidence negative ending fund balances for the General Fund and certain enterprise and non-major governmental funds. During fiscal year 2011, the City temporarily borrowed from other City governmental funds and internal service funds (but not enterprise funds) and used certain certificate of participation proceeds to fund General Fund expenditures. In addition, during the 2011 fiscal year, the General Fund owed approximately $28.3 million to other funds. The ending fiscal year 2011 negative General Fund balance of approximately $41.2 million included, among other things, the net interfund liability of approximately $28.3 million, the accounts payable in the amount of $12.6 million, and accrued liabilities of approximately $3.3 million. The Independent Auditors' Report related to the 2011 Financial Statements noted, among other things, that the amount of deficits, interfund liabilities, accounts payable and accrued liabilities within the General Fund indicated "significant liquidity problems" as of June 30, 2011.

During the fiscal year ended June 30, 2012, the City experienced continued stress on its general fund. The City's unaudited, internally prepared, financial statements for the fiscal year ended June 30, 2012, which are included as part of the City's Financial Report for the Month of June 2012 (the "2012 Financial Statements"), reflect for fiscal year 2012 total City-wide revenues of approximately $149.86 million and total City-wide expenditures of approximately $162.27 million, representing an approximately $12.41 million deficit. The 2012 Financial Statements reflect General Fund revenues of approximately $44.35 million and General Fund expenditures of approximately $47.98 million for fiscal year 2012, representing an approximately $3.63 million deficit for the General Fund. According to media reports, the possibility of municipal bankruptcy was discussed at a City Council meeting in July 2012.

During the fiscal year ended June 30, 2013, the City Council adopted measures that the City Council projected would reduce expenditures and increase revenues. Those projections were expected to result in a General Fund deficit of approximately $1.9 million as of June 30, 2013. However, the City's General Fund resulted in an actual *surplus* of $1.2 million for the fiscal year ended June 30, 2013. However, as of June 30, 2013, the City's General Fund still suffers from a cumulative negative fund balance of $(28,073,971).

For the fiscal year ending June 30, 2014, the City has approved a budget that projects a General Fund surplus of revenues over expenditures of approximately $2,545,575. The City continues to seek shared commitments with its bargaining units and to consider other options including consolidation of departments and various City functions to reduce expenditures and manage its cash flow in order to eliminate the projected deficit in the General Fund and to improve the liquidity of the General Fund.

No assurance can be made, however, that such efforts of the City will be successful in improving the City's financial condition. See "RISK FACTORS – Enforceability of Remedies" herein.

See "APPENDIX C-1: CITY OF COMPTON UNAUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011," "APPENDIX C-2: CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF JUNE 2012," and "APPENDIX C-3: CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF MAY 2013" attached hereto for more information related to the City's financial results for the fiscal year ended June 30, 2011, fiscal year ended June 30, 2012 and through May 31, 2013.

Allegations of Waste, Fraud, and Abuse of Public Monies

In December 2011, the Mayor of the City sent a letter to the State Controller alleging waste, fraud, and abuse of public monies. Mayer Hoffman McCann, P.C., the independent accounting firm retained to audit the City's financial statements for the fiscal year ended June 30, 2011 (the "2011 Financial Statements"), did not receive responses to audit inquiries it posed to the Mayor.

On June 27, 2012, Mayer Hoffman McCann, P.C. issued its Independent Auditors' Report stating that it was "unable to determine the financial impact of [the Mayor's] allegation on the [2011 Financial Statements]" and that the City "did not take steps necessary to evaluate the financial impact of the allegation made, nor did the Mayor of the City of Compton respond to audit inquiries made." The Independent Auditors' Report states that Mayer Hoffman McCann, P.C. was "unable to satisfy [itself] about these matters by means of other audit procedures" and that, because of the significance of such matters, "the scope of [its] work was not sufficient to enable [it] to express, and [it does] not express, an opinion on [the 2011 Financial Statements]." The Independent Auditors' Report also stated that the 2011 Financial Statements "have been prepared assuming that the City will continue as a going concern" and cited "substantial doubt about the City's ability to continue as a going concern." Following the issuance of its Independent Auditors' Report, Mayer Hoffman McCann, P.C. resigned from its position as auditor.

Following Mayer Hoffman McCann, P.C.'s resignation, the City engaged Macias Gini & O'Connell LLP ("MGO") on November 6, 2012 pursuant to a Professional Services Agreement dated January 31, 2013 to investigate the Mayor's allegations of waste, fraud, and abuse of public monies. MGO conducted five separate audits to determine whether problems exist with respect to the City's internal controls and procedures. MGO completed its investigation and released five separate reports. MGO found no waste, fraud or abuse in any of the five areas of concern. MGO did make some recommendations to improve operations. A copy of each of the five reports is attached hereto as Appendix K.

Impact on Availability of Financial Statements

The City's 2011 Financial Statements and the Independent Auditors' Report related thereto are attached hereto as Appendix C-1. Because Mayer Hoffman McCann, P.C. did not express an opinion on the 2011 Financial Statements, the City Council of the City of Compton resolved in May 2013 to retain unchanged the 2011 Financial Statements with the Mayer Hoffman McCann, P.C. "no-opinion" report included. It is noteworthy that the California State Controller stated in a letter dated February 12, 2013 that the City's "audit satisfies all financial and compliance audit requirements under individual federal award programs." A copy of said letter may be found on page 56 of materials found at the following website: http://www.comptoncity.org/agenda/2013/05_2013/131405/21098205092013074429372.pdf.

The City's unaudited, internally prepared, Financial Report for the Month of June 2012, which includes financial information for the fiscal year ended June 30, 2012 is attached hereto as Appendix C-2. The City has engaged MGO to conduct an audit of its financial statements for the year ended June 30, 2012, which City management expects to be completed on or before October 31, 2013. The City's unaudited, internally prepared, Financial Report for the Month of May 2013, which includes financial information through May 31, 2013, is attached hereto as Appendix C-3.

Impact on Ratings

In September 2012, Standard & Poor's Rating Services ("Standard & Poor's"), which has rated the City's outstanding lease revenue, water and sewer bonds, and the City's redevelopment agency tax allocation debt, announced that it had suspended its long-term and underlying ratings on such bonds because the City had yet to obtain an audit firm to provide an opinion on the fair presentation of and application of generally accepted accounting principles to the 2011 Financial Statements. In November 2012, Moody's Investors Service, Inc. ("Moody's"), which rated the City's Series 1998 sewer enterprise revenue refunding bonds, announced that it too had suspended its rating of such bonds due to a lack of or inadequate information to support the rating. No assurance can be given as to when or if Standard & Poor's or Moody's will reinstate their ratings on the City's bonds or if such a rating will reflect a change from the City's most recent rating.

RISK FACTORS

The following information should be considered by the Purchaser in evaluating the Notes. However, this information does not purport to be an exhaustive listing of the risks and other considerations which may be relevant to an investment in the Notes. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of such factors.

No Rating

NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. SEE "THE NOTES – SECURITY AND SOURCES OF PAYMENT FOR THE NOTES" HEREIN.

Limited Transfer or Exchange of Notes

Pursuant to the Resolution and the Accompanying Document, the Notes may not be transferred or exchanged except to an "accredited investor" as defined in Rule 501 of the Securities Act. The purchasers of the Notes will be required to execute an investment letter, the form of which is attached hereto as Appendix F. The Resolution and the Accompanying Document contain additional restrictions on transfer

and exchange of the Notes. A signed copy of the Resolution and the form of the Accompanying Document are included as exhibits to this Limited Offering Memorandum and each should be reviewed carefully prior to making an investment in the Notes.

City Fiscal Crisis

As discussed above in "CITY FISCAL CRISIS," the City has experienced recurring losses in its General Fund for the 2009 through 2012 fiscal years, and has deficit balances in its General Fund, enterprise funds, and non-major governmental fund. The City has also experienced challenges with respect to obtaining audited financial reports for the 2011 and 2012 fiscal years.

The Notes are general obligations of the City payable only out of Unrestricted Revenues received or accrued by (or allocable to) the City during Fiscal Year 2013-14 that are lawfully available for payment of the Notes and the interest thereon. However, continued liquidity constraints affecting the City and the General Fund could have a material adverse effect on the City's ability to pay principal of and interest on the Notes when due in the event Unrestricted Revenues received or accrued by (or allocable to) the City during Fiscal Year 2013-14 are insufficient.

See "CITY FISCAL CRISIS" and "RISK FACTORS – Enforceability of Remedies" herein.

Current and Future Obligations

The City is currently liable and may become liable on other obligations payable from General Fund revenues, such as employee salaries and benefits. To the extent that additional obligations are incurred by the City, the revenues available for the City to pay such obligations may be decreased subsequent to the payment of principal of and interest on the Notes when due. See "APPENDIX A: FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF COMPTON" attached hereto for a description of certain other obligations of the City, including its unfunded accrued actuarial liabilities with respect to post-employment benefits.

No Liability of County

No County funds are pledged to the payment of principal of and interest on the Notes. The County Collected Revenues are received by the County on behalf of the City and will be deposited as provided in the Direction Letter into the Repayment Fund held in trust by the Trustee under the Trust Agreement.

Enforceability of Remedies

The rights of the Owner of the Notes are subject to the limitations on legal remedies against cities and counties in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Additionally, enforceability of the rights and remedies of the Owner of the Notes, and the obligations incurred by the City, may become subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against cities and counties in the State. Bankruptcy proceedings, if initiated, or the exercise of powers by the federal, State or City government, could subject the Owner of the Notes to judicial discretion and interpretation of its rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of rights. The opinion of Bond Counsel to the City, the proposed form of which is attached hereto as

"APPENDIX D: FORM OF OPINION OF BOND COUNSEL", is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditors' rights. See "CITY FISCAL CRISIS" and "RISK FACTORS – City Fiscal Crisis" herein.

Los Angeles County Treasury Pool

The Los Angeles County Treasury Pool is among the Permitted Investments in which Note proceeds may be invested. See "THE NOTES – Repayment Fund" herein. On January 24, 1996, the United States Bankruptcy Court for the Central District of California held in the case of *County of Orange v. Merrill Lynch* that a State statute providing for a priority of distribution of property held in trust conflicted with, and was preempted by, federal bankruptcy law. In that case, the court addressed the priority of the disposition of moneys held in a county investment pool upon bankruptcy of the county, but was not required to directly address the State statute that provides for the lien in favor of holders of tax and revenue anticipation notes. The Trustee will be in possession of certain Unrestricted Revenues that are pledged and will be set aside to repay the Notes and, following payment of these funds to the Trustee, these funds may be invested in the name of the Trustee for a period of time in the Los Angeles County Treasury Pool, a Permitted Investment. In the event of a petition for the adjustment of County debts under Chapter 9 of the Bankruptcy Code, a court might hold that the Owner of the Notes does not have a valid and prior lien on such pledged amounts where such amounts are deposited in the Los Angeles County Treasury Pool and may not provide the Owner with a priority interest in such amounts. Such pledged amounts may not be available for payment of principal of and interest on the Notes unless the Owner could "trace" the funds from the Repayment Fund that have been deposited in the Los Angeles County Treasury Pool. There can be no assurance that the Owner of the Notes could successfully so "trace" the pledged amounts.

Taxation of Notes

An opinion of Peck, Shaffer & Williams LLP, Bond Counsel, has been obtained to the effect that, subject to the limitations and conditions described herein, interest on the Notes is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions, as noted in "TAX MATTERS" herein. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

An application for a ruling from the Internal Revenue Service regarding the tax-exempt status of the interest on the Notes has not been made, and an opinion of counsel is not binding upon the Internal Revenue Service. The opinion of Peck, Shaffer & Williams LLP, Bond Counsel, is based upon certain representations made by the City, officials of the City, and opinions of Seyfarth Shaw LLP, Special Counsel to the City. If these representations or opinions are incorrect, interest on the Notes could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. The opinion of Bond Counsel is subject to the condition that the City comply with all requirements of the Code, compliance with which subsequent to the issuance of the Notes is necessary in order that the interest thereon be, and continue to be, excludible from the gross income of the owners thereof for federal income tax purposes. There can be no guarantee that the City will not violate such requirements and thereby cause interest on the Notes to become includable in gross income for federal income tax purposes, in some cases retroactive to the date of issuance of the Notes. In addition, there can be no guarantee that present advantageous provisions of the Code or the rules and regulations thereunder will not be adversely amended or modified, thereby rendering the interest earned on the Notes includable in gross income for federal income tax purposes. Peck, Shaffer & Williams LLP, Bond Counsel, has expressed no opinion regarding any other federal tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, the acquisition or disposition of, or otherwise arising with respect to, the Notes.

For a description of collateral federal income tax consequences to certain taxpayers, see "TAX MATTERS" herein.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS

Article XIII A

On June 6, 1978, California voters approved Proposition 13, adding Article XIII A to the California Constitution. Article XIII A, among other things, affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975/76 tax bill under 'full cash value,' or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data for the area under taxing jurisdiction, or reduced in the event of declining property value caused by substantial damage, destruction or other factors including a general economic downturn. Any reduction in assessed value is temporary and may be adjusted for any given year by the Assessor. The assessed value increases to its pre-reduction level (escalated to the annual inflation rate of no more than two percent) following the year(s) for which the reduction is applied. Article XIII A further limits the amount of any *ad valorem* tax on real property to 1% of the full cash value except that additional taxes may be levied to pay (i) debt service on indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition; and (iii) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district or county, as appropriate, but only if certain accountability measures are included in the proposition.

On June 3, 1986, California voters approved Proposition 46, which added an additional exemption to the 1% tax limitation imposed by Article XIII A. Under this amendment to Article XIII A, local governments and school districts may increase the property tax rate above 1% for the period necessary to retire new general obligation bonds, if two-thirds of those voting in a local election approve the issuance of such bonds and the money raised through the sale of the bonds is used exclusively to purchase or improve real property.

Legislation enacted by the California Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Limited Offering Memorandum (except as noted) is shown at 100% of assessed value and all general tax rates reflect the $1 per $100 of taxable value. Tax rates for voter approved bonded indebtedness are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIII A (new construction, change of ownership, 2% annual value growth) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts will share the growth of "base" revenue from the tax rate area. Each year's growth allocation becomes part of each agency's allocation the following year. The City is unable to predict the nature or magnitude of future revenue sources which may be provided by the State to replace lost property tax revenues. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIII B

On November 6, 1979, California voters approved Proposition 4, which added Article XIII B to the California Constitution. In June 1990, the voters through their approval of Proposition 111 amended Article XIII B. Article XIII B of the California Constitution limits the annual appropriations of the State and any city, county, school district, special district, authority or other political subdivision of the State (e.g. local governments) to the level of appropriations for the prior fiscal year, as adjusted annually for changes in the cost of living, population and services rendered by the governmental entity. The "base year" for establishing such appropriation limit is the 1978-79 fiscal year. Increases in appropriations by a governmental entity are also permitted (i) if financial responsibility for providing services is transferred to a governmental entity, or (ii) for emergencies so long as the appropriations limits for the three years following the emergency are reduced accordingly to prevent any aggregate increase above the Constitutional limit. Decreases are required where responsibility for providing services is transferred from the government entity.

Appropriations subject to Article XIII B include generally any authorization to expend during the fiscal year the proceeds of taxes levied by or for the State, exclusive of certain State subventions for the use and operation of local government, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. Appropriations subject to limitation of an entity of local government include any authorization to expend during a fiscal year the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity and refunds of taxes. Appropriations subject to limitation pursuant to Article XIII B do not include debt service on indebtedness existing or legally authorized as of January 1, 1979, on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for such purpose, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified outlay projects, and appropriations by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to any entity of government from (i) regulatory licenses, user charges, and user fees to the extent such proceeds exceed the cost of providing the service or regulation, (ii) the investment of tax revenues and (iii) certain State subventions received by local governments.

Article XIII B includes a requirement pursuant to which fifty percent (50%) of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount which may be appropriated by the State in compliance with Article XIII B during that fiscal year and the fiscal year immediately following it shall be transferred and allocated, from a fund established for that purpose, pursuant to Article XVI of the State Constitution. In addition, fifty percent (50%) of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount which may be appropriated by the State in compliance with Article XIII B during that fiscal year and the fiscal year immediately following it shall be returned by revising tax rates or fee schedules within the next two subsequent fiscal years. Further, Article XIII B includes a requirement that all revenues received by an entity of government, other than the State, in a fiscal year and in the fiscal year immediately following it that exceed the amount which may be appropriated by that entity in compliance with Article XIII B during that fiscal year and the fiscal year immediately following it shall be returned by revising tax rates or fee schedules within the next two subsequent fiscal years.

As amended in June 1990, the appropriations limit for a county in each year is based on the limit for the prior year, adjusted annually for changes in the costs of living and changes in population, and adjusted, where applicable, for transfer of financial responsibility of providing services to or from another unit of government. The change in the cost of living is, at the county's option, either (i) the percentage change in California per capita personal income from the preceding fiscal year, or (ii) the percentage change in the local assessment roll from the preceding fiscal year for the jurisdiction due to the addition of local nonresidential new construction. Pursuant to the Revenue and Taxation Code, the State's Department

of Finance annually transmits to each city and each county an estimate of the percentage change in the population of the city or the county.

Article XIII B permits any government entity to change the appropriations limit by vote of the electorate in conformity with statutory and Constitutional voting requirements, but any such voter-approved change can only be effective for a maximum of four years.

The City's maximum appropriation limit for the Fiscal Year 2013-14 is approximately $85.37 million. The limitation applies only to proceeds of taxes and therefore does not apply to regulatory licenses, user charges, user fees and service fees and charges that do not exceed the reasonable cost of services, investment earnings on non-proceeds of taxes, fines, and revenue from the sale of property and taxes received from the State and federal governments that are tied to special programs. City Council will consider a resolution regarding the appropriations limit for Fiscal Year 2013-14 that will project proceeds of taxes for Fiscal Year 2013-14 in an amount below the Article XIII B limit.

Proposition 62

Proposition 62 was adopted by the California voters at the November 4, 1986, general election which (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes imposed for specific purposes) imposed by a local government entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A of the California Constitution, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, and (f) required that any tax imposed by a local governmental entity on or after August 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in the case of *Santa Clara County Local Transportation Authority v. Guardino (*"*Guardino*"*)*, upheld the constitutionality of Proposition 62. In *Guardino*, the court held that a county-wide sales tax of one-half of one percent was a special tax that, under Section 53722 of the Government Code, was invalid without the required two-thirds voter approval. The decision did not address the question of whether or not it should be applied retroactively. Since the adoption of Proposition 62, the City has enacted increases in taxes in compliance therewith.

Following the California Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al*. ("*La Habra*"). In *La Habra*, the court held that public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes that are subject to Proposition 62 is three years. Accordingly, a challenge to a tax that is subject to Proposition 62 may only be made for those taxes collected within three years of the date the action is brought. The City does not believe that any of its taxes are subject to Proposition 62.

Proposition 218

On November 5, 1996, the California voters approved Proposition 218, a constitutional initiative entitled the "Right to Vote on Taxes Act" ("Proposition 218"). Proposition 218 added Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions limiting the ability of local governments, including the City, to impose and collect both existing and future taxes, assessments, fees and charges. The City is unable to predict whether and to what extent Proposition 218 may be held to be constitutional or how its terms will be interpreted and applied by the courts. Proposition 218 could substantially restrict the City's ability to raise future revenues and could subject certain existing sources of revenue to reduction or repeal, and increase the City's costs to hold elections, calculate fees and assessments, notify the public and defend its fees and assessments in court. Further, as described below, Proposition 218 provides for broad initiative powers to reduce or repeal local taxes, assessments, fees and charges, which are among the sources of the County Collected Revenues pledged to the payment of principal of and interest on the Notes. However, other than any impact resulting from the exercise of this initiative power, the City does not presently believe that the potential impact on the financial condition of the City as a result of the provisions of Proposition 218 will adversely affect the City's ability to pay principal of and interest on the Notes and perform its other obligations as and when due.

Article XIII C requires that all new, extended, or increased local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City require a majority vote of the electorate and taxes for specific purposes, even if deposited in the City's General Fund, require a two-thirds vote of the electorate. These voter approval requirements of Proposition 218 reduce the flexibility of the City to raise revenues through General Fund taxes, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure requirements.

Article XIII C also expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed. This extension of the initiative power is not limited by the terms of Proposition 218 to local taxes, assessments, fees or charges imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. The City does not believe that any existing taxes imposed by the City, the proceeds of which are deposited into the City's General Fund will be affected by the voter approval requirements of Proposition 218. The City believes that the voter approval requirement of Proposition 218 reduces the flexibility of the City to raise revenues for the General Fund. No assurances can be given that the City will impose, extend or increase such taxes in the future to meet increased expenditure needs.

The repeal of local taxes, assessments, fees or charges could be challenged as a violation of the prohibition against impairing contracts under the contract clause of the United States Constitution. Subsequent to the amendment of Article XIII C, the State Legislature approved SB 919 (the "Proposition 218 Omnibus Implementation Act"), which directed that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after November 6, 1998, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. However, no assurance can be given that the voters of the City will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges that are or will be deposited into the City's General Fund. Further, "fees" and "charges" are not defined in Article XIII C or Proposition 218 Omnibus Implementation Act, and it is unclear whether these terms are intended to have the same meanings for purposes of Article XIII C as they do in Article XIII D, as described below. Accordingly, the scope of the initiative power under Article XIII C could include all sources of General Fund moneys not received from or imposed by the federal or State government or derived from investment income.

The initiative power granted under Article XIII C, by its terms, applies to all local taxes, assessments, fees and charges and is not limited to local taxes, assessments, fees and charges that are property related. The City is unable to predict whether the courts will interpret the initiative provision to be limited to property related fees and charges. No assurance can be given that the voters of the City will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges which are deposited into the City's General Fund.

Article XIII D added several requirements that generally made it more difficult for local agencies, such as the City, to levy and maintain "assessments" for municipal services and programs. "Assessment" is defined in Proposition 218 and the Proposition 218 Omnibus Implementation Act (as enacted in Government Code Section 53750) to mean any levy or charge upon real property for a special benefit conferred upon the real property. This includes maintenance assessments imposed in City service areas and in special districts. In most instances, in the event that the City is unable to collect assessment revenues relating to specific programs as a consequence of Proposition 218, the City will curtail such services rather than use amounts in the General Fund to finance such programs. Accordingly, the City anticipates that any impact Article XIII D may have on existing or future taxes, fees, and assessments will not adversely affect the ability of the City to pay the principal of and interest on the Notes, as and when due. However, no assurance can be given that the City may or will be able to reduce or eliminate such services to avoid new costs for the City General Fund in the event the assessments that presently finance them are reduced or repealed.

Article XIII D also added several provisions affecting "fees" and "charges" which are defined as "any levy other than an *ad valorem* tax, a special tax, or an assessment, imposed by an agency [subdivision (a) of Section 2 of Article XIII D defines an agency as any local government as defined in subdivision (b) of Section 1 of Article XIIIC] upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service." All new fees and charges and, after June 30, 1997, all existing property related fees and charges that are extended, imposed or increased must conform to requirements prohibiting, among other things, fees and charges which (i) generate revenues exceeding the funds required to provide the property related service, (ii) are used for any purpose other than those for which the fees and charges are imposed, (iii) are for a service not actually used by, or immediately available to, the owner of the property in question, or (iv) are used for general governmental services, including police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Further, before any property related fee or charge may be imposed or increased, written notice must be given to the record owner of each parcel of land affected by such fee or charge. The City must then hold a hearing upon the proposed imposition or increase of such property-related fee or charge, and if written protests against the proposal are presented by a majority of the owners of the identified parcels, the City may not impose or increase the fee or charge. The City does not expect to collect such fees or charges in Fiscal Year 2013-14. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges, the revenues and proceeds of which comprise a significant part of the City's General Fund.

Additional implementing legislation respecting Proposition 218 may be introduced in the State legislature from time to time that would amend and supplement and add provisions to California statutory law. No assurance may be given as to the terms of such legislation or its potential impact on the City.

Proposition 1A

Proposition 1A ("Proposition 1A"), proposed by the Legislature as a Senate Constitutional Amendment in connection with the 2004-05 Budget Act and approved by California voters in November 2004, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain

exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature. Proposition 1A provides, however, that beginning in fiscal year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses of the State Legislature and certain other conditions are met. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the VLF rate below 0.65 percent of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates. The State's ability to initiate future exchanges and shifts of funds will be limited by Proposition 22. See " – Proposition 22" below.

Proposition 22

Proposition 22 ("Proposition 22"), which was approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State General Fund or any other State fund. Due to the prohibition with respect to State's ability to take, reallocate, and borrow money raised by local governments for local purposes, Proposition 22 supersedes certain provisions of Proposition 1A of 2004. See " – Proposition 1A" herein. In addition, Proposition 22 generally eliminates the State's authority to temporarily shift property taxes from cities, counties, and special districts to schools, temporarily increase school and community college district's share of property tax revenues, prohibits the State from borrowing or redirecting redevelopment property tax revenues or requiring increased pass-through payments thereof, and prohibits the State from reallocating vehicle license fee revenues to pay for State-imposed mandates. In addition, Proposition 22 requires a two-thirds vote of each house of the State Legislature and a public hearing process to be conducted in order to change the amount of fuel excise tax revenues shared with cities and counties. The LAO states that Proposition 22 will prohibit the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies.

Proposition 22 prohibits the State from borrowing sales taxes or excise taxes on motor vehicle fuels or changing the allocations of those taxes among local government except pursuant to specified procedures involving public notices and hearings. In addition, Proposition 22 requires that the State apply the formula setting forth the allocation of State fuel tax revenues to local agencies revert to the formula in effect on June 30, 2009. The City does not believe that Proposition 22 will have a significant impact on its revenues and expenditures during Fiscal Year 2013-14.

Proposition 26

Proposition 26 ("Proposition 26"), which was approved by California voters on November 2, 2010, revises the California Constitution to expand the definition of "taxes." Proposition 26 re-categorizes many State and local fees as taxes and specifies a requirement of two-thirds voter approval for taxes levied by local governments.

Proposition 26 requires the State obtain the approval of two-thirds of both houses of the State Legislature for any proposed change in State statutes, which would result in any taxpayer paying a higher

tax. Proposition 26 eliminates the previous practice whereby a tax increase coupled with a tax reduction that resulted in an overall neutral fiscal effect was subject only to a majority vote in the State Legislature. Furthermore, pursuant to Proposition 26, any increase in a fee above the amount needed to provide the specific service or benefit is deemed to be a tax and the approval thereof will require such two-thirds vote of approval to be effective. In addition, for State imposed fees and charges, any fee or charge adopted after January 1, 2010 with a majority vote of approval of the State Legislature which would have required a two-thirds vote of approval of the State Legislature if Proposition 26 were effective at the time of such adoption is repealed as of November 2011 absent the re-adoption by the requisite two-thirds vote.

Proposition 26 amends Article XIII C of the State Constitution to state that a "tax" means a levy, charge or exaction of any kind imposed by a local government, except (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property or the purchase rental or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (6) a charge imposed as a condition of property development; or (7) assessments and property related fees imposed in accordance with the provisions of Proposition 218. See " – Proposition 218" herein.

Proposition 26 applies to any levy, charge or exaction imposed, increased, or extended by local government on or after November 3, 2010, unless exempted, as stated above. Accordingly, fees adopted prior to that date are not subject to the measure until they are increased or extended or if it is determined that an exemption applies. As of the date hereof, none of the City's fees or charges has been challenged in a court of law in connection with the requirements of Proposition 26.

If the local government specifies how the funds from a proposed local tax are to be used, the approval will be subject to a two-thirds voter requirement. If the local government does not specify how the funds from a proposed local tax are to be used, the approval will be subject to a fifty percent voter requirement. Proposed local government fees that are not subject to Proposition 26 generally are subject to the approval of a majority of the governing body. In general, proposed property charges will be subject to a majority vote of approval by the governing body although certain proposed property charges will also require approval by a majority of the affected property owners.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, Proposition 111, Proposition 1A, Proposition 62, Proposition 22, and Proposition 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, further affecting revenues of the City or the City's ability to expend revenues. The nature and impact of these measures cannot be predicted by the City.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Peck, Shaffer & Williams LLP, Bond Counsel to the City, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein,

interest on the Notes is exempt from present State of California personal income taxes, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion contains greater detail, and is subject to exceptions. See "APPENDIX D: FORM OF OPINION OF BOND COUNSEL."

In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the City in connection with the Notes, and Bond Counsel has assumed compliance by the City with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Bond Counsel expresses no opinion regarding any other Federal or state tax consequences with respect to the Notes. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, or any facts or circumstances that may thereafter come to its attention, or changes in law or in interpretations thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion on the effect of any action thereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for Federal income tax purposes of interest on the Notes, or under state and local tax law.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on such Notes be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Notes, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the Federal government. Noncompliance with such requirements may cause interest on the Notes to become included in gross income for Federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The City has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral Federal income tax matters with respect to the Notes. It does not purport to address all aspects of Federal taxation that may be relevant to a particular owner of a Note. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of owning and disposing of the Notes.

Prospective owners of the Notes should be aware that the ownership of such obligations may result in collateral Federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for Federal income tax purposes. Interest on the Notes may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Notes. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding", which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Note through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Notes from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Notes under Federal or state law or otherwise prevent beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, sale, execution and delivery by the City of the Notes are subject to the approval of Peck, Shaffer & Williams LLP, Bond Counsel. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of the Limited Offering Memorandum. Certain other legal matters will be passed upon for the City by the City Attorney, by the City's Disclosure Counsel, Peck Shaffer & Williams LLP, Atlanta, Georgia, and by the City's Special Counsel, Seyfarth Shaw LLP, Los Angeles, California.

FINANCIAL ADVISOR

The City has retained Comer Capital Group, LLC, of Jackson, Mississippi, as financial advisor (the "Financial Advisor") in connection with the issuance of the Notes. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained in this Limited Offering Memorandum. Comer Capital Group, LLC is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities.

UNDERWRITING

Under the Bond Purchase Agreement, IFS Securities, Inc., Atlanta, Georgia (the "Underwriter"), will purchase the Notes at a price of _____, less an Underwriter's discount of _____ (___%). The Underwriter reserves the right to join with dealers and other underwriters in offering the Notes. The

Underwriter may offer and sell Notes to certain dealers at prices lower than the public offering price or otherwise allow concessions to such dealers who may re-allow concessions to other dealers.

The City has agreed to indemnify the Underwriter against certain civil liabilities, including certain liabilities under federal securities laws. Under existing statutes, regulations, and court decisions, the enforceability of such an agreement to indemnify is uncertain.

LITIGATION

No litigation is pending or, to the best of the knowledge of the City, threatened concerning the validity of the Notes, and an opinion of the City Attorney to that effect will be furnished to the Purchaser at the time of the original delivery of the Notes. The City is not aware of any litigation pending or threatened questioning its political existence or contesting its ability to levy and collect *ad valorem* taxes or to collect or receive the County Collected Revenues or contesting its ability to pay the principal of and interest on the Notes. However, the City is routinely involved in certain disputes relating to its day-to-day operations. See "APPENDIX A: FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF COMPTON — OTHER FISCAL INFORMATION — Litigation" attached hereto.

NO RATING

NO RATING FOR THE NOTES HAS BEEN APPLIED FOR. THE NOTES ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE NOTES ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PERSONS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF TAX AND REVENUE ANTICIPATION NOTES. SEE "THE NOTES – SECURITY AND SOURCES OF PAYMENT FOR THE NOTES", "CITY FISCAL CRISIS" AND "RISK FACTORS" HEREIN.

CONTINUING DISCLOSURE

The City has agreed in the Resolution and has covenanted in the Continuing Disclosure Agreement for the benefit of the Owner of the Notes to provide notices of the occurrence of certain Listed Events. Pursuant to the Continuing Disclosure Agreement, the notices of Listed Events will be filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access ("EMMA") system or to another repository designated by the MSRB or the SEC within 10 Business Days. The City's obligations under the Continuing Disclosure Agreement will terminate upon payment in full of all of the Notes without any requirement to provide notice to the Owner of the Notes. If such termination occurs prior to the final maturity of the Notes, the City will give notice of such termination in the same manner as for a Listed Event. See "APPENDIX E: FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto.

During the past four fiscal years, the City has failed to timely file certain annual reports, notices of failure to file annual reports, and notices of rating changes required to be filed pursuant to continuing disclosure agreements entered into by the City and the respective dissemination agents thereunder pursuant to the Rule for the City's Sewer Revenue Refunding Bonds, Series 1998 (the "Series 1998 Sewer Bonds"), Sewer Revenue Bonds, Series 2009 (the "Series 2009 Sewer Bonds"), and Water Revenue Bonds, Series 2009 (the "Series 2009 Water Bonds" and, together with the Series 2009 Sewer Bonds, the "Series 2009 Bonds"). Although they were filed past the due date, the City has filed its financial information in accordance with the continuing disclosure agreements related to the Series 1998 Bonds and the Series 2009 Bonds for fiscal years 2009 through 2012, but the City has not filed certain additional operating data required by the continuing disclosure agreement related to the Series 1998 Bonds for the 2010 through 2012 fiscal years. And, although the City failed to file certain notices within the time required by the continuing disclosure agreements, the dissemination agent for the City has notified the MSRB of those

failures, and the dissemination agent for the City has also filed the required notices (i.e. a Notice of Rating Change related to Standard & Poor's and Moody's rating withdrawals on the Series 1998 Sewer Bonds and the Series 2009 Bonds was posted on EMMA on December 11, 2012).

In addition to the City's continuing disclosure obligations related to the Series 1998 Bonds and the Series 2009 Bonds, the City was required to file monthly financial information with EMMA related to the City's financial results for the months of February through May, 2013 in connection with the City's issuance of its 2012-13 Tax and Revenue Anticipation Notes, Series A. The City timely filed those required monthly disclosure reports.

See http://emma.msrb.org for a complete history of the City's continuing disclosure filings.

FINANCIAL STATEMENTS

The City's "Annual Financial Report Year Ended June 30, 2011," which includes unaudited actuals for Fiscal Year 2010-11, is attached hereto as Appendix C-1, and the City's "Financial Report for the Month of June 30, 2012," which includes unaudited financial data for the Fiscal Year ended June 30, 2012, is attached hereto as Appendix C-2, and the City's "Financial Report for the Month of May 2013," which includes unaudited financial data for through May 31, 2013, is attached hereto as Appendix C-3.

Please note that Mayer Hoffman McCann, P.C.'s Independent Auditors' Report related to the 2011 Financing Statements expresses no opinion on whether the 2011 Financial Statements present fairly, in all material respects, the financial position of the City at June 30, 2011 and certain related matters. Please see "CITY FISCAL CRISIS" above for more information.

The City's Financial Report for the Month of June 30, 2012 and the City's Financial Report for the Month of June 30, 2013 reflect unaudited financial data prepared by the City Controller that has not been reviewed by an independent auditor. No assurances can be given that the review of the City's financial data by an independent auditor will yield the same or similar results.

The City has not requested nor has the City obtained the consent of Mayer Hoffman McCann, P.C. to the inclusion of its report attached hereto as Appendix C-1. Further, the inclusion of its report as Appendix C-1 does not purport to reflect any change with respect to statements set forth in the Independent Auditor's Report or any information set forth in the 2011 Financial Statements. Mayer Hoffman McCann, P.C. has not been engaged to perform and has not performed, since the date of the Independent Auditor's Report and the 2011 Financial Statements included herein, any procedures on the financial statements addressed in that report. MGO is the City's current independent auditor and has been engaged to perform the City's audit for the Fiscal Year ending June 30, 2012, which the City expects to be completed by approximately October 31, 2012. However, the City has not requested nor has the City obtained the consent of MGO to the inclusion of its reports attached hereto at Appendix K. Neither MGO nor Mayer Hoffman McCann, P.C. has been requested to perform and neither has performed any procedures relating to this Limited Offering Memorandum.

ADDITIONAL INFORMATION

Included herein are brief summaries of certain documents and reports, which summaries do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof. This Limited Offering Memorandum is not to be construed as a contract or agreement between the City and the Purchaser of the Notes. Any statements made in this Limited Offering Memorandum involving matters of opinion, whether or not expressly so stated, are intended merely as an opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Limited Offering

Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The execution and delivery of this Limited Offering Memorandum have been duly authorized and approved by the City Council of the City.

CITY OF COMPTON, CALIFORNIA

By: _____
City Manager

#23.

[Signature Page to Limited Offering Memorandum]

APPENDIX A

FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY OF COMPTON

APPENDIX B

CITY OF COMPTON CASH FLOW PROJECTIONS

Cashflows

The following Table B-1 sets forth the sources and amounts of estimated Unrestricted Revenues for Fiscal Year 2013-14. The estimates in the table, along with the accompanying General Fund cash flow analysis for Fiscal Year 2012-13 and a projected cash flow for Fiscal Year 2013-14, have been prepared by the City. The projected cash flow for Fiscal Year 2013-14 was prepared based on the current information available. The statements in this Limited Offering Memorandum relating to the cashflow projections constitute "forward-looking statements." Such forward-looking statements refer to the achievement of certain results or other expectations or performance which involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors may cause actual results, performance or achievements to be materially different from any projected results, performance or achievements described or implied by such forward-looking statements. The City does not plan to issue updates or revisions to such forward looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur, or if actual results, performance or achievements are materially different from any results, performance or achievements described or implied by such forward-looking statements.

TABLE B-1
CITY OF COMPTON
2013-14 ESTIMATED UNRESTRICTED REVENUES
($ in thousands)

Revenue Source	Amount
Property Taxes	
Sales & Use Taxes	
Franchise Taxes	
Transient Occupancy Tax	
Property Transfer Tax	
Utility Users Tax	
License and Permits	
Business License Fees	
Parking Citation Fee	
Fines and Penalties	
Interest & Rentals	
State Motor Vehicle Fee	
Service Charges	
Other Revenues	
Proceeds from Sale of Property	
Total Revenues	
Cash Balance as of June 30, 2014	
Total	

Source: City of Compton Treasury Division Cashflow Projections.

TABLE B-2
CITY OF COMPTON
GENERAL FUND CASHFLOW FOR FISCAL YEAR 2012-13

Description	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013	TOTAL
BEGINNING CASH BALANCE	$(30,570,123)	$(32,947,054)	$(34,613,652)	$(33,648,424)	$(30,788,585)	$(31,059,481)	$(35,045,562)	$(31,980,459)	$(32,861,168)	$(33,460,573)	$(33,227,975)	$(28,073,971)	$(30,570,123)
RECEIPTS													
Property Taxes[1]	$ --	$ --	$ --	$ --	13,917	1,173,306	333,474	328,672	177,169	785,923	382,558	--	3,195,019
Sales & Use Taxes[1]	--	457,900	657,265	400,158	21,378	529,845	1,908,960	452,891	460,281	369,922	1,401,351	766,855	7,426,806
Franchise Taxes	--	76,552	49,793	125,406	51,715	100,873	98,524	228,365	72,995	18,704	243,810	172,612	1,239,350
Transient Occupancy Tax	--	13,778	25,147	15,229	12,331	8,842	7,218	7,558	6,630	7,033	9,846	7,802	121,414
Property Transfer Tax	--	--	33,869	15,566	21,269	--	46,842	--	12,658	27,924	11,708	11,034	180,870
Utility Users Tax	260,700	978,504	1,195,390	1,491,568	1,170,350	277,839	1,890,519	926,818	1,136,973	1,505,313	1,221,744	1,153,858	13,209,576
License and Permits	95,963	81,855	117,406	152,391	95,004	71,624	105,125	154,916	162,576	88,090	82,183	64,708	1,271,841
Business License Fees	312,192	207,280	180,374	191,340	76,797	71,810	131,736	89,818	147,281	301,858	363,459	347,036	2,420,981
Parking Citation Fee	96,826	115,625	83,843	107,857	97,743	25,707	112,424	80,231	93,066	113,053	228,285	90,587	1,245,247
Fines and Penalties	16,239	22,320	23,533	10,585	34,595	3,165	33,882	19,716	29,415	30,760	29,392	30,154	283,756
Interest & Rentals	2,917	3,423	4,492	10,345	11,109	7,044	11,977	4,894	16,129	15,942	9,307	11,659	109,238
State Motor Vehicle Fee[1]	--	--	51,144	--	--	--	3,970,163	--	--	--	3,970,163	--	7,991,470
Service Charges	285,331	285,331	285,331	285,331	285,331	285,331	285,331	301,224	285,331	285,331	285,331	285,331	3,439,865
Other Revenues	201,669	187,427	111,346	1,604,979	157,558	116,521	415,581	444,841	419,931	346,146	222,335	248,341	4,476,675
Proceeds from Sale of Property	--	--	--	--	--		--	--	--	--	--	--	--
Interfund Transfers	--	--	--	--	--	--	--	--	--	--	--		--
Contribution from CRA - Gen. Liab	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Revenues	$1,271,837	$2,429,995	$2,818,933	$4,410,755	$2,049,097	$2,671,907	$9,351,756	$3,039,944	$3,020,435	$3,895,999	$8,461,472	$3,189,977	$46,612,108
DISBURSEMENTS													
Salaries and Benefits	$647,949	$2,253,035	$1,611,015	$1,410,439	$1,376,126	$1,447,139	$2,329,044	$1,335,503	$1,377,256	$1,407,586	$1,472,195	$2,076,881	$18,744,168
Operation and Maintenance	1,619,126	461,865	242,692	1,511,900	943,867	843,404	854,555	1,129,335	786,769	800,000	379,458	936,444	10,509,415
Debt Service	--	--	2,911,629	1,455,815	1,455,815	1,455,815	1,455,815	1,455,815	1,455,815	1,455,815	1,455,815	1,455,815	16,013,964
Capital Expenditure	--	--	--	84,392	--	--	43,180	--	--	--	--	--	127,572
Interfund Transfers	--	--	--	--	--	--	--	--	--	--	--	--	--
Contribution to General Liability	--	--	--	--	--	--	--	--	--	--	--	--	--
Checks Withheld / Catch-up Release	1,381,693	1,381,693	(2,911,630)	(2,911,630)	(1,455,815)	2,911,630	1,604,059	--	--	--	--	--	--
Total Disbursements	$3,648,768	$4,096,593	$1,853,706	$1,550,916	$2,319,993	$6,657,988	$6,286,653	$3,920,653	$3,619,840	$3,663,401	$3,307,468	$4,469,140	$45,395,119
SURPLUS / (DEFICIT)	$(2,376,931)	$(1,666,598)	$965,227	$2,859,839	$(270,896)	$(3,986,081)	$3,065,103	$(880,709)	$(599,405)	$232,598	$5,154,004	$(1,279,163)	$ 1,216,989
ENDING CASH BALANCE	$(32,947,054)	$(34,613,652)	$(33,648,424)	$(30,788,585)	$(31,059,481)	$(35,045,562)	$(31,980,459)	$(32,861,168)	$(33,460,573)	$(33,227,975)	$(28,073,971)	$(29,353,134)	$(29,353,134)

Source: City of Compton

[1] The County Collected Revenues (as defined herein) include 1% property tax labeled account number "132.01- City-Compton TD #1" by the County of Los Angeles Auditor/Controller, vehicle licensing fee revenues and sales and use tax revenues collected by the County on behalf of the City.

TABLE B-3
CITY OF COMPTON
PROJECTED GENERAL FUND CASHFLOWS FOR FISCAL YEAR 2013-14

Description	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013	January 2014	February 2014	March 2014	April 2014	May 2014	June 2014	TOTAL
	Projected												
BEGINNING CASH BALANCE [1]	$1,850,155	$(1,561,340)	$(3,344,342)	$(3,580,044)	$(4,446,372)	$(5,995,985)	$(7,735,479)	$(6,860,833)	$(7,485,493)	$(8,113,769)	$(7,866,482)	$(1,546,410)	$1,850,155
RECEIPTS													
Property Taxes[2]	--	--	--	--	13,917	1,173,306	--	328,672	177,169	785,923	382,558	--	2,861,545
Sales & Use Taxes[2]	--	457,900	657,265	400,158	21,378	529,845	995,164	452,891	460,281	369,922	1,501,351	766,855	6,613,010
Franchise Taxes	--	76,552	49,793	125,406	51,715	100,873	98,524	228,365	72,995	18,704	243,810	172,612	1,239,350
Transient Occupancy Tax	--	13,778	25,147	15,229	12,331	8,842	7,218	7,558	6,630	7,033	9,846	7,802	121,414
Property Transfer Tax	--	--	33,869	15,566	21,269	--	46,842	--	12,658	27,924	11,708	11,034	180,870
Utility Users Tax	260,700	978,504	1,195,390	1,491,568	1,170,350	277,839	1,890,519	926,818	1,136,973	1,505,313	1,221,744	1,153,858	13,209,576
License and Permits	95,963	81,855	117,406	152,391	95,004	71,624	105,125	154,916	162,576	88,090	82,183	64,708	1,271,841
Business License Fees	362,192	257,280	230,374	241,340	126,797	121,810	131,736	89,818	147,281	301,858	363,459	347,036	2,720,981
Parking Citation Fee	96,826	115,625	83,843	107,857	97,743	25,707	112,424	80,231	93,066	113,053	228,285	90,587	1,245,247
Fines and Penalties	16,239	22,320	23,533	10,585	34,595	3,165	33,882	19,716	29,415	30,760	29,392	30,154	283,756
Interest & Rentals	2,917	3,423	4,492	10,345	11,109	7,044	11,977	4,894	16,129	15,942	9,307	11,659	109,238
State Motor Vehicle Fee[2]	--	--	51,144	--	--	--	--	--	--	--	3,970,163	--	4,021,307
rvice Charges	335,331	471,694	471,694	471,694	471,695	471,695	471,695	471,695	471,695	471,694	471,695	471,695	5,523,972
her Revenues	1,201,669	187,427	111,346	11,000	157,558	116,521	915,581	444,841	419,931	346,146	222,335	451,160	4,585,515
oceeds from Sale or Property	--	--	--	--	--		--	--	--		1,000,000	--	1,000,000
Interfund Transfers	--	--	--	--	--	--	--	--	--	--	--		--
Contribution from CRA - General Liability	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Revenues	$4,221,992	$1,105,018	$(289,046)	$(526,905)	$(2,106,910)	$(3,087,714)	$(2,914,792)	$(3,650,418)	$(4,278,694)	$(4,031,407)	$1,881,354	$2,032,750	$46,837,777
DISBURSEMENTS													
Salaries and Benefits	$ 1,472,195	$1,512,110	$1,512,110	$1,512,110	$1,512,110	$2,268,165	$1,512,110	$1,512,110	$1,512,110	$1,512,110	$1,512,110	$2,268,165	$19,617,514
Operation and Maintenance	1,319,126	1,401,054	242,692	786,769	786,769	843,404	854,555	786,769	786,769	786,769	379,458	936,444	9,910,578
L.A. Sheriff Contract	1,536,196	1,536,196	1,536,196	1,536,196	1,536,196	1,536,196	1,536,196	1,536,196	1,536,196	1,536,196	1,536,196	1,536,195	18,434,351
Debt Service	--	--	--	84,392	--	--	43,180	--	--	--	--	--	127,572
Interfund Transfers	--	--	--	--	--	--	--	--	--	--	--	--	--
Contribution to General Liability	--	--	--	--	--	--	--	--	--	--	--	--	--
Checks Withheld / Catch-up Release	1,455,815	--	--	--	--	--	--	--	--	--	--	(1,536,195)	(80,380)
Total Disbursements	$5,783,332	$4,449,360	$3,290,998	$3,919,467	$3,835,075	$4,647,765	$3,946,041	$3,835,075	$3,835,075	$3,835,075	$3,427,764	$3,204,609	$48,009,635
ENDING CASH BALANCE	$(1,561,340)	$(3,344,342)	$(3,580,044)	$(4,446,372)	$(5,995,985)	$(7,735,479)	$(6,860,833)	$(7,485,493)	$(8,113,769)	$(7,866,482)	$(1,546,410)	$(1,171,858)	$(1,171,858)

Source: City of Compton

[1] The ending cash balance in the General Fund as of June 30, 2013 as shown on Table B-2 above is $(29,353,134), which is $(31,203,289) less than the beginning fund balance as of July 1, 2013 of $1,850,155. The difference in the ending balance as of June 30, 2013 and the beginning balance as of July 1, 2013 is equal to the interfund payable due from the General Fund to various fund, which amounts are to be paid back through the June 30, 2031 fiscal year.

[2] The County Collected Revenues include 1% property tax labeled account number "132.01- City-Compton TD #1" by the County of Los Angeles Auditor/Controller, vehicle licensing fee revenues, and sales and use tax revenues collected by the County on behalf of the City.

Available Cash Resources

The City could borrow for General Fund purposes certain funds held by the City outside the General Fund (the "Available Cash Resources"). Available Cash Resources are estimated to be approximately $41 million as of July 1, 2013. The City has used Available Cash Resources to lower temporary cash shortfalls in the General Fund, but it has never used Available Cash Resources to meet its tax and revenue anticipation note pledge requirements. The Purchaser should be aware that the Available Cash Resources have restricted uses, and any other use, including payment of principal of and interest on the Notes, may be subject to approval by the City Council. The City makes no representation that such funds would in fact be made available for the payment of principal of and interest on the Notes in the absence of other revenues. The following Table B-5 sets forth the estimated Available Cash Resources as of July 1, 2013.

[Remainder of the Page Intentionally Left Blank]

TABLE B-5
City of Compton
Projected Available Cash Resources as of July 1, 2013

Fund	July 1, 2013
Measure R	$ 2,806,978
Proposition A	714,021
S/A CRA	-
S/A Surplus Tax	135,471
S/A General	10,905,039
S/A Low Cost Housing	176,716
S/A Obligation Retfund	0
PFA	179,145
Regional Park	2,732,511
Family Self Sufficiency	400,515
Careerlink	235,982
Section 108 HUD	2,288,625
Police Drug Prop	2,642
Sewer Bond	835,533
Liability	121,681
Prop C	4,081,706
Workers Compensation	141,742
LHA	2,736,419
EMS Acct	893,091
Parking Violations	310,778
RVR MNT Conserv	11,718
EDA Revolving Loan	434,975
Land Sales	-
Formal Assurance Program	123,349
General City Account	11,198,474
Total	$ 41,467,110
2013 General City Account	$ 11,198,474
2012 General City Account	4,905,766
Net Difference General Account	$ 6,292,708

Source: City of Compton

APPENDIX C-1

CITY OF COMPTON UNAUDITED ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

APPENDIX C-2

CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF JUNE 2012

APPENDIX C-3

CITY OF COMPTON FINANCIAL REPORT FOR THE MONTH OF MAY 2013

#23.

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

The form of the legal approving opinion of Peck, Shaffer & Williams LLP, Bond Counsel, is set forth below. The actual opinion will be delivered on the date of delivery of the Notes referred to therein and may vary from the form set forth to reflect circumstances both factual and legal at the time of such delivery. Recirculation of the Limited Offering Memorandum shall create no implication that Peck, Shaffer & Williams LLP has reviewed any of the matters set forth in the Limited Offering Memorandum, of this opinion subsequent to its date.

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

#23.

APPENDIX F

FORM OF INVESTMENT LETTER

APPENDIX G

SIGNED COPY OF THE RESOLUTION

#23.

APPENDIX H

FORM OF ACCOMPANYING DOCUMENT

APPENDIX I

FORM OF DIRECTION LETTER

#23.

APPENDIX J

FORM OF TRUST AGREEMENT

APPENDIX K

COPIES OF REPORTS OF MACIAS, GINI & O'CONNELL LLP

IRREVOCABLE/UNCONDITIONAL DIRECTION LETTER

July 25, 2013

City of Compton
205 S. Willowbrook Avenue
Compton, California 90220
Attention: City Treasurer

County of Los Angeles
500 West Temple Street, Room 525
Kenneth Hahn Hall of Administration
Los Angeles, California 90012
Attention: Department of the Auditor-Controller

U. S. Bank National Association
1420 5th Avenue, 7th Floor, PD-WA-T7CT
Seattle, WA 98101
Attention: Carolyn Morrison

Re: $10,600,000 City of Compton, California 2013-14 Tax and Revenue Anticipation Notes

Ladies and Gentlemen:

This Direction Letter constitutes an irrevocable and unconditional agreement ("**Direction Agreement**") between the County of Los Angeles (the "**County**") acting by and through the Auditor-Controller of the County of Los Angeles (the "**Auditor-Controller**"), the City of Compton (the "**City**"), and U.S. Bank National Association, as Trustee (the "**Trustee**") for the City's 2013-14 Tax and Revenue Anticipation Notes, Series A (the "**Notes**") regarding the direct payment to the Trustee of the County Collected Revenues otherwise payable to the City as security and payment source for the Notes. The City has executed and delivered this Direction Agreement pursuant to a resolution adopted by the City Council of the City on July 23, 2013, a copy of which is attached hereto as Exhibit A (the "**Resolution**"), and the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2013-14 Tax and Revenue Anticipation Notes, Series 2013A dated as of July 25, 2013, a copy of which is attached hereto as Exhibit B (the "**Accompanying Document**"), executed by the City Manager of the City (the "**City Manager**"), and the Trust Agreement dated as of July 1, 2013, by and between the City and the Trustee ("**Trust Agreement**"). All capitalized terms used in this Direction Agreement but not otherwise defined herein shall have the meanings set forth in the attached Accompanying Document.

Pursuant to Section 402 of the Accompanying Document, the City Manager has caused to be established by the Trustee the 2013-14 TRANs Repayment Fund under the Trust Agreement. Effective as of the date of this Direction Agreement, the City hereby unconditionally and irrevocably directs the Auditor-Controller to promptly allocate and pay in good funds (by wire, or ACH transfer) to the Trustee on a monthly basis, 100% of the County Collected Revenues (as defined in the Accompanying Document) until such time as the total amounts deposited and held in the 2013-14 TRANs Repayment Fund, from any source, equal the Repayment Amount as set forth in Section 403 of the Accompanying Document. Such monthly transfers shall be made pursuant to the wire (or ACH) transfer instructions set forth in Exhibit C hereto. The City represents and warrants to the County and the Trustee that the County Collected Revenues are unrestricted and unassigned revenues of the City in all respects. The Trustee agrees to deposit all such County Collected Revenues in the 2013-14 TRANs Repayment Fund held by

the Trustee for subsequent application per the terms of the Trust Agreement and this Direction Agreement. The County, through its Auditor-Controller, irrevocably and unconditionally agrees to transfer 100% of the County Collected Revenues allocable to the City to the Trustee as provided for in this Direction Agreement, without delay, deduction, set-off or abatement for any reason except as provided herein. Such wire (or ACH) transfers by the County, through its Auditor-Controller, of the County Collected Revenues shall take place each month on the date that is no later than one (1) business day after the County apportions such County Collected Revenues to all local taxing agencies, including the City. The parties agree to strictly comply with the terms of this Direction Agreement notwithstanding any judicial proceedings (including any proceedings under the U.S. Bankruptcy Code) by or against any party, and for purposes of the U.S. Bankruptcy Code, the parties agree that this Direction Agreement does not constitute an executory contract, and that the City agrees that the County Collected Revenues constitute "special revenues" to the maximum extent possible under Section 922 of the US Bankruptcy Code. Furthermore, the City shall not take any actions to thwart or impair the County or the Trustee from undertaking their obligations hereunder in any judicial proceedings or otherwise (including the Trustee taking any actions to lift any automatic stay), and any such attempted actions by the City will be deemed taken in bad faith. The City hereby directs the County acting through its Auditor-Controller to promptly provide the Trustee with any information needed to verify the amount of County Collected Revenues which the City is entitled to receive hereunder.

The terms of this Direction Agreement shall be irrevocable and shall not terminate until (1) the amounts in the 2013-14 TRANs Repayment Fund certified in writing by the Trustee to the City and the County to its Auditor-Controller, from any source, shall equal approximately $10,940,000, and (2) the County acting through its Auditor-Controller shall have received a subsequent Written Direction from the City and the Trustee stating that the Auditor-Controller shall henceforth transfer to the City any further County Collected Revenues.

The City shall hold the County and the Auditor-Controller harmless for depositing the County Collected Revenues as set forth in Section 402 of the Accompanying Document and transferring such County Collected Revenues to the Trustee for deposit in the 2013-14 TRANs Repayment Fund held by the Trustee. Nothing in this Direction Agreement, the Notes, the Resolution, or the Accompanying Document is intended to confer standing upon Trustee to challenge the Auditor-Controller's computations of County Collected Revenues.

IN WITNESS WHEREOF, I have set my hand onto this Direction Agreement on this ___day of July, 2013.

CITY OF COMPTON

By: _____
G. Harold Duffey
City Manager

APPROVED AS TO FORM:

CRAIG J. CORNWELL, City Attorney:

By: _____
Craig J. Cornwell
City Attorney

ACKNOWLEDGED AND AGREED TO BY:

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____
Date: _____

COUNTY OF LOS ANGELES, Acting Through Its Auditor-Controller

Name: _____
Title: _____
Date: _____

By: _____
Auditor-Controller

#23.

EXHIBIT A

COPY OF THE RESOLUTION

EXHIBIT B

COPY OF THE ACCOMPANYING DOCUMENT

#23.

EXHIBIT C

ACH WIRING INSTRUCTIONS

TRUST AGREEMENT

by and between

THE CITY OF COMPTON

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of July 1, 2013

Relating to

$10,600,000
City of Compton, California 2013-14 Tax and Revenue Anticipation Notes, Series A

#23.

TABLE OF CONTENTS

Page

ARTICLE I

APPOINTMENT AND COMPENSATION OF TRUSTEE

Section 1.01. Appointment 1
Section 1.02. Compensation 2

ARTICLE II

DEFINITIONS

Section 2.01. Definitions 2

ARTICLE III

DUTIES

Section 3.01. Duties as Trustee 2
Section 3.02. Duties as Paying Agent 3
Section 3.03. Duties as Note Registrar 3
Section 3.04. Discharge and Cancellation of Notes 3

ARTICLE IV

PROTECTIONS, OBLIGATIONS AND LIABILITIES OF THE TRUSTEE; FIDUCIARY CAPACITY

Section 4.01. Incorporation of Accompanying Document and the Direction Letter 3
Section 4.02. Money Held by Trustee 3
Section 4.03. Liability of Trustee 3
Section 4.04. Evidence on Which Trustee May Act. 3
Section 4.05. Indemnification of Trustee. 4
Section 4.06. Ownership of the 2013-14 TRANs Permitted 4
Section 4.07. Resignation or Removal of Trustee and Appointment of Successor. 4
Section 4.08 Trustee Right To Exercise Rights & Remedies Under Accompanying Document

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01. Amendment 6
Section 5.02. Assignment 6
Section 5.03. Notices 6

Section 5.04. Effect of Headings 6
Section 5.05. Successors and Assigns.....6
Section 5.06. Severability 6
Section 5.07. Benefits of Agreement 6
Section 5.08. Entire Agreement 6
Section 5.09. Counterparts 7
Section 5.10. Termination.....7
Section 5.11. Governing Law 7

TRUST AGREEMENT

This TRUST AGREEMENT, dated as of July 1, 2013 (the "Trust Agreement"), is by and between the City of Compton (the "City"), a municipal corporation and chartered city of the State of California, and U.S. Bank National Association (the "Trustee"), a national banking association organized and existing under the laws of the United States of America.

BACKGROUND

WHEREAS, the City requires funds for the purposes authorized by Section 53852 of the California Government Code; and

WHEREAS, the City is authorized to borrow money pursuant to Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended, and City Charter (the "City Charter") Section 1403 (collectively, the "Authorizing Law"), for the purposes authorized by California Government Code Section 53852 and the City Charter, respectively, such indebtedness to be represented by a note or notes of the City; and

WHEREAS, the City has duly authorized and provided for the issuance of $5,000,000 in aggregate principal amount of City of Compton 2013-14 Tax and Revenue Anticipation Notes (the "2013-14 TRANs") pursuant to a resolution adopted by the City Council of the City on July 23, 2013 (the "Resolution") and the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2013-14 Tax and Revenue Anticipation Notes, dated as of February 19, 2013 (the "Accompanying Document"), executed by the City Manager of the City (the "City Manager"), approved by the City Attorney and acknowledged by the Trustee and the County of Los Angeles;

WHEREAS, the City has requested that the Trustee perform certain trust, paying agent and Note Registrar functions in connection with the 2013-14 TRANs; and

WHEREAS, the Trustee has agreed to serve in such capacities, subject to the terms of this Trust Agreement, the Resolution and the Accompanying Document.

NOW, THEREFORE, WITNESSETH, the City and the Trustee agree as follows:

ARTICLE I

APPOINTMENT AND COMPENSATION OF TRUSTEE

Section 1.01. Appointment. The City hereby appoints the Trustee to act as Trustee, Paying Agent and Note Registrar with respect to the 2013-14 TRANs, and to hold the amounts pledged for payment of the 2013-14 TRANs in trust for the benefit of the Owner of the 2013-14 TRANs as set forth herein and in the Accompanying Document. The Trustee hereby accepts its appointment and agrees to act as Trustee, Paying Agent and Note Registrar to perform the duties set forth in Article III hereof and in the Accompanying Document.

Section 1.02. Compensation. As compensation for the Trustee's services hereunder, the City agrees to pay the Trustee the fees and amounts heretofore agreed to by the City and the Trustee. In addition, the City agrees to reimburse the Trustee for all reasonable expenses, disbursements and advances incurred or made by the Trustee in connection with this Trust Agreement (including the reasonable compensation and the expenses and disbursements of the Trustee's agents and counsel).

ARTICLE II

DEFINITIONS

Section 2.01. Definitions. For purposes of this Trust Agreement, all capitalized terms used and not defined herein shall have the meanings ascribed to them in the Accompanying Document.

ARTICLE III

DUTIES

Section 3.01. Duties as Trustee. Pursuant to the Resolution and the Accompanying Document, the Trustee is hereby directed to establish and maintain the "2013-14 TRANs Repayment Fund". The Trustee is hereby authorized to establish any additional subaccounts therein if deemed necessary to effectuate the purposes of the Resolution, the Accompanying Document and the Direction Letter. The City shall transfer or cause to be transferred to the Trustee and the Trustee is directed hereby to deposit in the 2013-14 TRANs Repayment Fund the County Collected Revenues as set forth under Section 402 of the Accompanying Document and the Direction Letter and any other funds as directed for such deposit by the City Manager. The Trustee is authorized and directed to acknowledge the Direction Letter.

All funds in the 2013-14 TRANs Repayment Fund shall be accounted for separately from the other funds of the Trustee and shall be invested in Permitted Investments in accordance with the Accompanying Document, as may be directed by the City from time to time. In the absence of such direction, the Trustee shall hold moneys uninvested. The Trustee shall keep a written record of all investments and investment earnings (including any investment of earnings) of amounts in the 2013-14 TRANs Repayment Fund, as well as a written record of disbursements from the 2013-14 TRANs Repayment Fund.

The 2013-14 TRANs Repayment Fund shall be used to pay the 2013-14 TRANs and the interest thereon when the same shall become due and payable and may not be used for any other purpose; provided, however, that subsequent to the payment of principal of and interest on the 2013-14 TRANs when due, earnings on amounts in the 2013-14 TRANs Repayment Fund shall be transferred by the Trustee to the City and deposited into the General Fund of the City. Any amounts on deposit in the 2013-14 TRANs Repayment Fund in excess of the amount sufficient to pay all of the 2013-14 TRANs and the interest thereon when due, plus an amount, if any, equal to the rebate amount calculated to be due to the United States Treasury, shall be transferred by the Trustee upon receipt of a Written Direction of an Authorized Officer to any account in the General Fund of the City as the City Manager or any designee may direct in a Written Direction.

Section 3.02. Duties as Paying Agent. The Trustee shall pay on behalf of the City the principal of and interest on the 2013-14 TRANs when due, in accordance with the provisions of the Resolution and the Accompanying Document.

Section 3.03. Duties as Note Registrar. The Trustee shall perform the duties of the Note Registrar as set forth in the Accompanying Document, including maintaining the registration books for the 2013-14 TRANs. The Trustee will effect transfers of registered ownership of the 2013-14 TRANs upon surrender of validly issued Notes to the Paying Agent accompanied by such instruments of transfer and other documents as Paying Agent may reasonably require only as permitted in the Accompanying Document.

Section 3.04. Discharge and Cancellation of Notes. The Trustee shall cancel all 2013-14 TRANs surrendered to it for transfer or payment and will dispose of said cancelled 2013-14 TRANs at the written direction of the City.

ARTICLE IV

PROTECTIONS, OBLIGATIONS AND LIABILITIES OF THE TRUSTEE; FIDUCIARY CAPACITY

Section 4.01. Incorporation of Accompanying Document and the Direction Letter. The protections, obligations and liabilities of the Trustee set forth under the Accompanying Document and the Direction Letter are incorporated herein by reference and such provisions shall apply to the Trustee in its various capacities hereunder.

Section 4.02. Money Held by Trustee. All funds at any time and from time to time provided to or held by the Trustee hereunder shall be deemed, construed and considered for all purposes as being provided to or held by the Trustee in trust and as a trustee for the benefit of the Owner. The Trustee acknowledges, covenants and represents that it is acting herein as a trustee in relation to such funds, and is not accepting, holdings, administering or applying such funds as a banking depository, but solely as a trustee for and on behalf of the Owner of the 2013-14 TRANs.

Section 4.03. Liability of Trustee. The Trustee makes no representations as to the validity or sufficiency of the Accompanying Document, this Trust Agreement or of any 2013-14 TRANs or as to the security afforded by the Resolution, this Trust Agreement or the Accompanying Document, and the Trustee shall incur any liability in respect thereof.

Section 4.04. Evidence on Which Trustee May Act.

(a) In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action, or doing or not doing anything, as such Trustee, and in any case in which the Resolution, the Accompanying Document or this Trust Agreement provides for permitting or taking any action, it may rely upon any notice, resolution, request, consent, order, waiver, statement, certificate, report, opinion, bond or other paper or document to be furnished to it under the provisions of the Resolution, the Accompanying Document or this Trust Agreement, and any such instrument shall be evidence of such fact to protect it in any action that it may or may not take, or in respect of anything it may

or may not do, acting reasonably and in good faith, by reason of the supposed existence of such fact.

(b) The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Resolution, the Accompanying Document or this Trust Agreement, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper City Council or person, or to have been prepared and furnished pursuant to any of the provisions of the Resolution, the Accompanying Document or this Trust Agreement or at the sole cost and expense of the City with the prior written consent of the City, and when determined necessary in the reasonable discretion of the Trustee, as the case may be, upon the written opinion of any attorney (who may be an attorney for the City or an employee of the City) believed by the Trustee, to be qualified in relation to the subject matter.

Section 4.05. Indemnification of Trustee.

(a) To the extent permitted by law, the City shall indemnify the Trustee and hold it harmless, from and against any loss, liability or reasonable expense (including the costs and expenses of its counsel and of investigating and defending against any claim of liability) arising out of or in connection with its acting as Trustee under this Trust Agreement; provided, however, that the Trustee shall not be indemnified for or held harmless against any such loss, liability or expense resulting from its negligence, willful misconduct or bad faith. The provision of this Section 4.05 shall remain in full force and effect notwithstanding the resignation or removal of any Trustee or the termination of the Resolution, the Accompanying Document or this Trust Agreement.

(b) Nothing in the Resolution, the Accompanying Document or this Trust Agreement shall require or obligate the Trustee to advance, expend or risk its own funds or otherwise to incur any personal financial liability in the performance or exercise of any of its duties or rights hereunder and the Trustee shall be fully justified and protected in taking or refusing to take any action under the Resolution, the Accompanying Document or this Trust Agreement or the 2013-14 TRANs unless it shall first be indemnified against any and all liability and expense which may be incurred by it by reason of such taking or refusing to take any such action (other than any liability or expense resulting from its negligence, willful misconduct or bad faith). Notwithstanding the foregoing, the Trustee shall not require indemnification prior to the making, when due, of any payment required at the maturity of the 2013-14 TRANs.

Section 4.06. Ownership of the 2013-14 TRANs Permitted. Subject to Section 305 of the Accompanying Document, any Trustee may become the Owner of any 2013-14 TRANs.

Section 4.07. Resignation or Removal of Trustee and Appointment of Successor.

(a) The Trustee may at any time resign and be discharged of the duties and obligations created by this Trust Agreement by giving at least 60 days' prior written notice to the City. Any Trustee may be removed at any time with or without cause by an instrument filed with such Trustee and signed by the City. A successor Trustee may be appointed by the City and

shall be a commercial bank with trust powers or a trust company organized under the laws of any state of the United States or a national banking association, having capital and surplus aggregating at least $100,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution, the Accompanying Document or this Trust Agreement. For purposes of this Section, a commercial bank with trust powers or a trust company shall be deemed to have capital and surplus aggregating at least $100,000,000 if it is a wholly-owned subsidiary of a corporation having capital and surplus aggregating at least $100,000,000 and such corporation provides a written guaranty, in form and substance satisfactory to the City, of the performance by the bank or trust company of its obligations as Trustee hereunder. Such Trustee shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the City a written acceptance thereof. Resignation or removal of a Trustee shall be effective upon appointment and acceptance of a successor Trustee.

(b) In the event of the resignation or removal of a Trustee, such Trustee shall pay over, assign and deliver any moneys held by it to its successor. In no event shall the resignation or removal of the Trustee become effective prior to the assumption of such resigning or removed Trustee's duties and obligations by a successor Trustee.

Section 4.08. Trustee's Right To Exercise Rights & Remedies Under Accompanying Document. Notwithstanding anything to the contrary in the Accompanying Document, the Trustee agrees to exercise any rights and remedies available to the Owner under the Accompanying Document on behalf of the Owner subject to the following:

a) Written direction of the Owner(s) holding at least 51% of the unpaid par amount of the 2013-2014 TRANS (individually and collectively the "Directing Owner" and "Owner Direction"); and

b) Indemnification of the Trustee to the satisfaction of the Trustee by the Directing Owner on a several (but not joint) basis for the matters to be undertaken set forth in the Owner Direction from and against any reasonable loss, liability or reasonable expense (including the costs and expenses of its counsel and of investigating and defending against any claim of liability) arising out of or in connection with its acting as Trustee under the Owner Direction; provided, however, that the Trustee shall not be indemnified against any such loss, liability or expense resulting from its negligence, willful misconduct or bad faith.

In furtherance of the Trustee's ability to undertake any matters on behalf of the Directing Owner hereunder and under the Accompanying Document and to support any indemnification requested by the Trustee under this Section 4.08, the City agrees that the Trustee is entitled to a lien on any funds held by the Trustee hereunder for the purpose of covering all of the Trustee's fees and expenses (including reasonable attorney's fees) and any source of indemnification payments.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01. Amendment. This Trust Agreement may be amended only by an agreement in writing signed by each of the parties hereto; provided, however, that all amendments must be consistent with the provisions of the Resolution and the Accompanying Document.

Section 5.02. Assignment. This Trust Agreement may be assigned by the Trustee only with the prior written consent of the City.

Section 5.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the City or the Trustee, respectively, shall be in writing and shall be hand delivered, sent by electronic-mail, facsimile transmission, by first-class United States mail, postage prepaid or such other readily accessible electronic means (so long as such recipient shall agree to the receipt of information by such means), to the addresses set forth below:

If to the City: City of Compton
205 S. Willowbrook Avenue
Compton, California 90220
Attention: City Manager

If to the Trustee: U.S. Bank National Association
1420 Fifth Avenue, 7th Floor
Seattle, Washington 98101
Attention: Global Corporate Trust Services

Section 5.04. Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 5.05. Successors and Assigns. All covenants and agreements herein by the City shall bind its successors and assigns, whether so expressed or not.

Section 5.06. Severability. In case any provision herein shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 5.07. Benefits of Agreement. Nothing herein, express of implied, shall give to any Person, other that the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 5.08. Entire Agreement. This Trust Agreement, the Resolution and the Accompanying Document constitute the entire agreement between the parties hereto and if any conflict exists between this Trust Agreement, the Resolution and the Accompanying Document, the Resolution and the Accompanying Document shall govern.

Section 5.09. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 5.10. Termination. This Trust Agreement will terminate on the date of final payment of the principal of and interest on the 2013-14 TRANs to the Owner thereof or may be earlier terminated by any party upon 60 days written notice; provided, however, an early termination of this Trust Agreement shall not be effective until (a) a successor Trustee has been appointed by the City and such appointment accepted and (b) notice has been given to the Owner of the 2013-14 TRANs of the appointment of a successor Trustee.

Section 5.11. Governing Law. This Trust Agreement shall be construed in accordance with and governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement as of the day and year first above written.

CITY OF COMPTON

By _____
City Manager

ATTESTED:

By: _____
City Clerk
City Council of City of Compton

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By _____
Authorized Officer

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is dated and made as of _____, 2013 by and between the City of Compton (the "City") and U.S. Bank National Association, the dissemination agent (the "Dissemination Agent") in connection with the issuance of the $10,600,000* City of Compton 2013-14 Tax and Revenue Anticipation Notes, Series A (the "2013-14 TRANs"). All capitalized terms not otherwise defined in this Disclosure Agreement, shall have the respective meanings set forth in the Accompanying Document, dated as of July 1, 2013 (the "Accompanying Document") executed by the City. In connection therewith, the City and the Dissemination Agent agree as follows:

ARTICLE I
The Disclosure Agreement

Section 1.1. Purpose. This Disclosure Agreement is being entered into and delivered by the City and the Disclosure Agreement for the benefit of the Owner of the 2013-14 TRANs, or if the 2013-14 TRANs are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in such depository system (collectively, the "Holders") and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2013-14 TRANs (including persons holding 2013-14 TRANs through nominees, depositories or other intermediaries), or (b) is treated as the owner of any 2013-14 TRANs for federal income tax purposes (collectively, the "Beneficial Owners") of the 2013-14 TRANs.

Section 1.2. Listed Event Notices. If a Listed Event (defined herein) occurs, the City shall provide or cause to be provided by the Dissemination Agent, in a timely manner not in excess of ten (10) Business Days after the occurrence of such Listed Event, notice of such Listed Event to the MSRB through its EMMA System and the Trustee. For purposes of this Disclosure Agreement, "Business Day" means any day of the year other than Saturday or Sunday or any other day on which banks in New York, New York, Seattle, Washington, or San Francisco, California are not authorized or obligated by law or executive order to close and on which the New York Stock Exchange is not closed. The following events are each a "Listed Event" with respect to the 2013-14 TRANs:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Modifications to rights of Holders, if material;

4. Bond calls, if material and tender offers;

5. Defeasances;

6. Rating changes;

7. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (Internal Revenue Service Form 5701-TEB) or other material notices of determinations with respect to the tax status of the 2013-14 TRANs, or other material events affecting the tax status of the 2013-14 TRANs;

8. Unscheduled draws on the debt service reserves reflecting financial difficulties;

9. Unscheduled draws on the credit enhancements reflecting financial difficulties;

10. Release, substitution or sale of property securing repayment of the 2013-14 TRANs, if material;

11. Bankruptcy, insolvency, receivership or similar event of the City (such event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City;

12. Substitution of credit or liquidity providers, or their failure to perform;

13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material; and

15. Any amendment or waiver of a provision of this Disclosure Agreement.

The City notes that items 6, 8, 9, 10 and 12 are not applicable to the 2013-14 TRANs. The Dissemination Agent shall promptly advise the City whenever, in the course of performing its duties as Trustee (defined herein) under the Trust Agreement, dated as of July 1, 2013 (the "Trust Agreement"), by and between the City and U.S. Bank National Association, as trustee (the "Trustee"), the Trustee has actual notice of an occurrence which, if material, would require the City to provide a Listed Event Notice hereunder; provided, however, that the failure of the Trustee so to advise the City shall not constitute a breach by the Trustee of any of its duties and responsibilities under this Disclosure Agreement or the Trust Agreement.

Section 1.3. Additional Disclosure Obligations. The City acknowledges and understands that other State and federal laws, including but not limited to the Securities Act of 1933, as amended, and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the City and that, under some circumstances, compliance with this Disclosure Agreement without additional disclosures or other action may not fully discharge all duties and obligations of the City under such laws.

Section 1.4. Provision of Monthly Reports. (a) The City shall, or shall cause the Dissemination Agent to, not later than the 15th day of each month until the Notes mature, commencing with information related to the month of July 2013 on or before September 15, 2013, provide to EMMA a "Monthly Report" that is consistent with the requirements of this Section. Not later than three (3) business days prior to such date, the City shall provide the Monthly Report to the Dissemination Agent (if other than the City).

(b) If the City is unable to provide to EMMA the Monthly Report by the date required in subsection (a), the City will provide notice to the Dissemination Agent for posting on EMMA when the City expects the report to be available. The Monthly Report shall contain the following information: (i) County Collected Revenues collections of the City; and (ii) Unrestricted Revenues collections of the City.

Section 1.5. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

Section 1.6. No Previous Non-Compliance. The City represents that in the previous five years it has not failed to comply in any material respects with any previous undertaking in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule except as otherwise disclosed in the Limited Offering Memorandum dated _____, 2013 relating to the 2013-14 TRANs.

Section 1.7. Audited Financial Statements for Fiscal Year 2012. The City will provide to the Dissemination Agent for posting on EMMA its audited financial statements for fiscal year 2012 within thirty days of the receipt by the City of such audited financial statements from Macias Gini & O'Connell LLP, which has been engaged by the City to perform such audit.

ARTICLE II
Operating Rules

Section 2.1. CUSIP Numbers. Whenever providing information to the MSRB, including but not limited to Listed Event Notices the City shall indicate the full name of the 2013-14 TRANs and the 9-digit CUSIP number for such 2013-14 TRANs as to which the provided information relates.

Section 2.2. Transmission of Information and Notices. Unless otherwise required by law and, in the City's sole determination, subject to technical and economic feasibility, the City shall employ such methods of information and notice transmission as shall be requested or recommended by the herein-designated recipients of the City's information and notices.

Section 2.3. Fiscal Year. The City's Fiscal Year currently begins July 1 and ends on the next succeeding June 30, and the City shall promptly notify (i) the MSRB and (ii) the Trustee of each change in its Fiscal Year.

Section 2.4. Filing with Certain Dissemination Agents. The City may from time to time designate an agent to act on its behalf in providing or filing notices, documents and information as required of the City under this Disclosure Agreement, and revoke or modify any such designation.

ARTICLE III
Termination, Amendment and Enforcement

Section 3.1. Effective Date; Termination. The obligations of the City and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2013-14 TRANs. If such termination occurs prior to the final maturity of the 2013-14 TRANs, the City shall give notice of such termination in the same manner as for a Listed Event under Section 1.2 hereof.

Section 3.2. No applicability. This Disclosure Agreement, or any provision hereof, shall be null and void in the event that the City and the Trustee (1) receive an opinion of Peck, Shaffer & Williams LLP or other nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the City and the Dissemination Agent, to the effect that those portions of the Rule which require this Disclosure

Agreement, or any of the provisions hereof, do not or no longer apply to the 2013-14 TRANs, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion, and (2) delivers copies of such opinion to the MSRB through its EMMA system within ten (10) Business Days from the execution thereof

Section 3.3. Amendment. (a) This Disclosure Agreement may be amended by the City and the Trustee without the consent of the holders of the 2013-14 TRANs (except to the extent required under clause 3.3(a)(4)(ii) hereof), if all of the following conditions are satisfied:

(1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the City or the type of business conducted thereby;

(2) this Disclosure Agreement as so amended would have complied with the requirements of the Rule as of the date of this Disclosure Agreement, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(3) the City and the Dissemination Agent shall have received an opinion of Peck, Shaffer & Williams LLP or other nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the City and the Dissemination Agent, to the same effect as set forth in clause 3.2(a)(2) above;

(4) either (i) the City and the Dissemination Agent shall have received an opinion of Peck, Shaffer & Williams LLP or other nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the City and the Dissemination Agent, to the effect that the amendment does not materially impair the interests of the holders of the 2013-14 TRANs or (ii) is approved by the Holders of the 2013-14 TRANs in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders; and

(5) the City shall have delivered copies of such opinion and amendment to the MSRB through its EMMA system within ten (10) Business Days from the execution thereof.

(b) In addition to subsection 3.3(a) above, this Disclosure Agreement may be amended and any provision of this Disclosure Agreement may be waived, by written certificate of the City, without the consent of the holders of the 2013-14 TRANs, if all of the following conditions are satisfied:

(1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Disclosure Agreement which is applicable to this Disclosure Agreement;

(2) the City and the Dissemination Agent shall have received an opinion of Peck, Shaffer & Williams LLP or other nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the City and the Dissemination Agent, to the effect that performance by the City under this Disclosure Agreement as so amended or giving effect to such waiver, as the case may be, will not result in a violation of the Rule; and

(3) the Dissemination Agent shall have delivered copies of such opinion and amendment to the MSRB through its EMMA system.

(c) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City shall describe such amendment in the Listed Event Notice, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or

in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, notice of such change shall be given in the same manner as for a Listed Event under Section 1.2 hereof.

Section 3.4. Benefit; Third-Party Beneficiaries; Enforcement. (a) The provisions of this Disclosure Agreement shall constitute a contract with and inure solely to the benefit of the holders of the 2013-14 TRANs, except that beneficial owners of 2013-14 TRANs shall be third-party beneficiaries of this Disclosure Agreement.

(b) Except as expressly provided in this subsection (b), the provisions of this Disclosure Agreement shall create no rights in any person or entity. The obligations of the City to comply with the provisions of this Disclosure Agreement shall be enforceable, in the case of enforcement of obligations to provide notices, by the Dissemination Agent on behalf of the holders of Outstanding 2013-14 TRANs. The holders' and Dissemination Agent's rights to enforce the provisions of this Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance any holder of 2013-14 TRANs. Such holders' rights to enforce the provisions of this Disclosure Certificate of the City's obligations under this Disclosure Agreement. In consideration of the third party beneficiary status of beneficial owners of 2013-14 TRANs pursuant to subsection (a) of this Section, beneficial owners shall be deemed to be holders of 2013-14 TRANs for purposes of this subsection (b).

(c) Any failure by the City or the Dissemination Agent to perform in accordance with this Disclosure Agreement shall not constitute a default or an Event of Default under the Trust Agreement, and the rights and remedies provided by the Resolution upon the occurrence of a default or an Event of Default shall not apply to any such failure.

(d) This Disclosure Agreement shall be construed and interpreted in accordance with the laws of the State; provided, however, that to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof. If any party initiates any legal or equitable action to enforce the terms of this Disclosure Agreement, to declare the rights of any party under this Disclosure Agreement or which relates to this Disclosure Agreement in any manner, each such party agrees that the place of making and for performance of this Disclosure Agreement shall be :Los Angeles, California, State of California, and the proper venue for any such action is the Superior Court of the State of California, in and for the City of Compton.

ARTICLE IV
Miscellaneous

Section 4.1. Duties, Immunities and Liabilities of Dissemination Agent. Article III of the Trust Agreement is hereby made applicable to this Agreement as if this Disclosure Agreement were, solely for this purpose, contained in the Trust Agreement. The Dissemination Agent shall have only such duties under the Disclosure Agreement as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct in the performance of its duties hereunder. Such indemnity shall be separate from and in addition to that provided to the Trustee under the Trust Agreement. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2013-14 TRANs.

Section 4.2. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision hereof.

Section 4.3. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or terms hereof shall be affected thereby, and each provision of this Disclosure Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 4.4. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the undersigned have duly authorized, executed and delivered this Disclosure Agreement as of the date first written above.

CITY OF COMPTON

By: _____
City Manager

U.S. BANK NATIONAL ASSOCIATION,
as Dissemination Agent

By: _____
Authorized Officer

[Counterpart Signature Page to Continuing Disclosure Agreement]

$10,600,000
CITY OF COMPTON, CALIFORNIA
2013-14 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

NOTE PURCHASE AGREEMENT

July ___, 2013

City of Compton, California
205 S. Willowbrook Avenue
Compton, California 90220

IFS Securities, Inc.
303 Perimeter Center N, Suite 300
Atlanta, Georgia 30346

IFS Securities, Inc. (the "**Purchaser**"), hereby offers to enter into this Note Purchase Agreement (this "**Note Purchase Agreement**") with the City of Compton (the "**City**"), a municipal corporation organized and existing under the Charter of the City, as amended (the "**City Charter**") and the Constitution and laws of the State of California (the "**State**"), which upon written acceptance of this offer will be binding upon the City and the Purchaser. This offer is made subject to the written acceptance hereof by the City and the Purchaser on or before 5:00 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Purchaser upon notice delivered to the City at any time prior to the acceptance hereof by the City and the Purchaser.

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Purchaser hereby agrees to purchase from the City, and the City hereby agrees to sell and deliver to the Purchaser, all (but not less than all) of the $10,600,000 aggregate principal amount of the City of Compton, California 2013-14 Tax and Revenue Anticipation Notes, Series A (the "**Notes**") issued pursuant to a resolution adopted by the City Council of the City on July 23, 2013 entitled "A Resolution of the Council of the City of Compton, California Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes for Fiscal Year 2013-14 in an Aggregate Principal Amount Not to Exceed $10,600,000.00" (the "**Resolution**") and subject to the terms and conditions set forth in the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2013-14 Tax and Revenue Anticipation Notes, Series 2013 dated as of July 1, 2013 (the "**Accompanying Document**"). The Notes shall be dated July 25, 2013, shall mature on June 1, 2014 and bear interest at three and seventy-five hundredths percent (3.75%) per annum. The purchase price for the Notes shall be 97.5% of the principal amount of the Notes.

1. **The Notes and the Limited Offering Memorandum.**

(a) The Notes shall be as described in the Accompanying Document, and shall be issued and secured under and pursuant to the provisions of Section 1403 of the City Charter, together with Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (collectively, the "**Authorizing Law**"), the Resolution and the Trust Agreement, dated as of July 1, 2013 (the "**Trust Agreement**") by and between the City and U.S. Bank National Association, as trustee (the "**Trustee**").

(b) With the consent of the City, the Purchaser has distributed a Preliminary Limited Offering Memorandum of the City, dated July 22, 2013, including the cover page and Appendices attached thereto, relating to the Notes (together with any documents incorporated therein by reference and any supplements or amendments thereto, and as disseminated in its printed physical form or in electronic form materially consistent with such physical form, the "**Preliminary Limited Offering Memorandum**"). The Notes have been offered for sale by the Purchaser pursuant to a final Limited Offering Memorandum dated July __, 2013 related to the Notes (the "**Limited Offering Memorandum**").

2. **Certain Covenants and Agreements of the City**. The City covenants and agrees to apply the proceeds from the sale of the Notes as provided in the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter dated July 25, 2013 (the "**Direction Letter**") from the City to the County of Los Angeles (the "**County**"), which Direction Letter has been agreed to and acknowledged by the Trustee and the Auditor-Controller of the County, subject to all of the terms, conditions and provisions of the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter, and not knowingly to take or omit to take any action which will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Notes, in that the City agrees to comply with the provisions of the Tax Certificate executed by the City at the time of delivery of the Notes (the "**Tax Certificate**").

3. **Representations and Warranties of the City.** The City represents and warrants to each of the Purchaser, as of the date hereof, as follows:

(a) The City is a municipal corporation organized and existing under a charter duly adopted pursuant to the provisions of the Constitution of the State and has full legal right, power and authority under the Resolution, and at the date of the Closing will have full legal right, power and authority under the Authorizing Law and the Resolution (i) to enter into this Note Purchase Agreement, the Continuing Disclosure Agreement dated as of July 25, 2013 (the "**Continuing Disclosure Agreement**"), by and between the City and U.S. Bank National Association, as dissemination agent (the "**Dissemination Agent**"), the Trust Agreement and the Direction Letter, to execute the Accompanying Document and to adopt the Resolution, (ii) to sell, issue and deliver the Notes to the Purchaser as provided herein, and (iii) to carry out and consummate the transactions contemplated by this Note Purchase Agreement, the Resolution, the Accompanying Document, the Continuing Disclosure Agreement, the Trust Agreement, the Direction Letter and the Limited Offering Memorandum; and the City has complied and will at the Closing be in compliance in all material respects with the terms of the Authorizing Law and the Resolution as they pertain to such transactions;

(b) By all necessary official action of the City prior to or concurrently with the acceptance hereof, the City has duly adopted the Resolution at a meeting of the City Council called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the Notes, the Resolution, the Accompanying Document, the Continuing Disclosure Agreement, the Trust Agreement, the Direction Letter and this Note Purchase Agreement, and the consummation by it of all other transactions contemplated by the Limited Offering Memorandum, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement and this Note Purchase Agreement. The Resolution, the Accompanying Document, the

Trust Agreement, assuming due authorization, execution and delivery by the Trustee, the Continuing Disclosure Agreement, assuming due authorization, execution and delivery by the Dissemination Agent, the Direction Letter and this Note Purchase Agreement, assuming due authorization, execution and delivery hereof by the Purchaser, constitute legal, valid and binding obligations of the City, are enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting the enforcement of creditors' rights, the application of general principles of equity if equitable remedies are sought and to the extent the indemnification provisions in this Note Purchase Agreement may be limited by applicable federal and state securities laws; the Notes, when issued, authenticated and delivered to the Purchaser in accordance with the Resolution, the Accompanying Document, the Trust Agreement and this Note Purchase Agreement will constitute legal, valid and binding general obligations of the City entitled to the benefits of, and payable from sources specified in, the Resolution, the Accompanying Document, the Trust Agreement and the Direction Letter and enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting the enforcement of creditors' rights and the application of the general principles of equity if equitable remedies are sought and to the extent the indemnification provisions in this Note Purchase Agreement may be limited by applicable federal and state securities laws; upon the issuance, authentication and delivery of the Notes, the Resolution will provide, from time to time for the benefit of the registered owner of the Notes, the legal, valid and binding pledge of and lien on the Pledged Moneys (as defined in the Resolution and the Accompanying Document) it purports to create, subject only to the provisions of the Resolution and the Accompanying Document permitting the application thereof on the terms and conditions set forth in the Resolution and the Accompanying Document;

(c) All authorizations, approvals, licenses, permits, consents and orders of any State governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the City of its obligations under, this Note Purchase Agreement, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement and the Notes have been duly obtained, except for such approvals, consents and orders as are stated in the Limited Offering Memorandum as yet to be obtained or as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Notes;

(d) Any certificate signed by any officer of the City and delivered to the Purchaser pursuant to the Notes, the Resolution, Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement, and this Note Purchase Agreement or any document contemplated thereby shall be deemed a representation and warranty by the City to the Purchaser as to the statements made therein and that such officer shall have been duly authorized to execute the same;

(e) Except as set forth in the Limited Offering Memorandum, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending in which service of process has been completed, or threatened against the City, (i) affecting the corporate existence of the City or the titles of its executive officers to their respective offices, or (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Notes or the pledge of and lien on the Pledged Moneys of the City pursuant to the Resolution or (iii) in any way contesting or affecting the validity or enforceability of the Notes, the

Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement, or this Note Purchase Agreement, or (iv) contesting the exclusion from gross income of interest on the Notes for federal income tax purposes, nor, is there any basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence, or (v) contesting the powers of the City for the issuance of the Notes, the adoption of the Resolution or the execution and delivery of this Note Purchase Agreement, the Accompanying Document, the Trust Agreement, the Direction Letter and the Continuing Disclosure Agreement nor is there any reasonable basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Notes, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter, the Continuing Disclosure Agreement or this Note Purchase Agreement;

(f) (i) The financial statements of the City in the Limited Offering Memorandum fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth, and the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, and (ii) the other financial information with respect to the City including the Cash Flows, and the budget information included therein, has not been audited and the City has a reasonable basis to believe in the truth and accuracy of the information provided therein.

All representations, warranties and agreements of the City shall remain operative and in full force and effect, regardless of any investigations made by or on the Purchaser' behalf, and shall survive the delivery of the Notes.

4. **Representations, Warranties and Agreements of the Purchaser**. The Purchaser represents, warrants to and agrees with the City that:

(a) The Purchaser is duly and validly organized under the laws of its jurisdiction of incorporation or organization, and has the requisite power and authority to purchase the Notes.

(b) The Notes will be offered for sale by the Purchaser to only "accredited investors" as that term is defined under Rule 501(a) of the Securities Act of 1933, as amended, with a maximum number of Owners of the Notes being thirty-five (35). All subsequent purchasers will execute an Investment Letter, the form of which is attached to the Limited Offering Memorandum as an exhibit.

(c) The Purchaser understands that the Notes are not registered under the Securities Act and that such registration is not legally required as of the date hereof; and further understands that the Notes: (i) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state; (ii) will not be listed in any stock or other securities exchange; (iii) will not carry a rating from any rating service; and (iv) will be delivered in a form that is non-negotiable transferable only under certain conditions that are specified in the Accompanying Document;

5. **Closing**.

(a) At 8:00 a.m., California time, on July 25, 2013, or at such other time and date as shall have been mutually agreed upon by the City and the Purchaser, the City will, subject to the terms and conditions hereof, deliver the Notes to the Purchaser duly executed and authenticated, together with the other documents hereinafter mentioned, and the Purchaser will, subject to the

terms and conditions hereof, accept such delivery and pay the purchase price of the Notes as set forth in Section 1 hereof by Federal Reserve wire of immediately available funds payable to the order of the City. Such delivery of and payment for the Notes is referred to herein as the "Closing".

(b) Delivery of the Notes shall be made at, or, in accordance with the operating procedures thereof, through DTC. The Notes shall be delivered in fully registered form, without coupons, bearing CUSIP number(s) and registered in the name of Cede & Co. and shall be made available to the Purchaser before the Closing for purposes of inspection. Notwithstanding the foregoing, neither the failure to print CUSIP numbers on any Note nor any error with respect thereto shall constitute cause for failure or refusal by the Purchaser to accept delivery of and pay for the Notes on the date of Closing in accordance with the terms of this Note Purchase Agreement.

6. **Closing Conditions**. The Purchaser has entered into this Note Purchase Agreement in reliance upon the representations, warranties and agreements of the City contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the date hereof and upon the performance by the City of its obligations hereunder as of the date hereof.

(a) At or prior to the Closing, the Purchaser shall have received copies of each of the following documents:

(i) A certificate of the City in substantially the form of Exhibit A attached hereto;

(ii) An approving opinion, dated the date of Closing, of Peck Shaffer & Williams LLP, Bond Counsel, addressed to the City, substantially in the form attached as an exhibit to the Limited Offering Memorandum;

(iii) A reliance opinion, dated the date of Closing, of Peck Shaffer & Williams LLP, addressed to the Purchaser and the Trustee, in substantially the form of Exhibit B attached hereto;

(iv) A supplemental opinion of Bond Counsel, addressed to the City and the Purchaser, dated the date of Closing, in substantially the form of Exhibit C hereto;

(v) An opinion, dated the date of Closing, of Seyfarth Shaw LLP, as Special Counsel to the City, in substantially the form of Exhibit D attached hereto;

(vi) An opinion, dated the date of Closing, of City Attorney, as counsel to the City and addressed to the Purchaser and the Trustee, in substantially the form of Exhibit E hereto; and

(vii) Such additional legal opinions, certificates, instruments and other documents as the Purchaser or counsel to the Purchaser may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the City's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memorandum and the due performance or satisfaction by the City on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the City.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Note Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Purchaser.

If the City shall be unable to satisfy the conditions to the obligations of the Purchaser to purchase, to accept delivery of and to pay for the Notes contained in this Note Purchase Agreement, or if the obligations of the Purchaser to purchase, to accept delivery of and to pay for the Notes shall be terminated for any reason permitted by this Note Purchase Agreement, this Note Purchase Agreement shall terminate and neither the Purchaser nor the City shall be under any further obligation hereunder, except that the respective obligations of the City and the Purchaser set forth in Section 10 hereof shall continue in full force and effect.

7. **Termination**. Except for the City's obligation to indemnify the Purchaser and the Financial Advisor, which shall survive the termination of this Note Purchase Agreement, this Note Purchase Agreement shall terminate when the Notes have been purchased by the Purchaser.

8. **Indemnification**.

(a) To the maximum extent permitted by law, the City agrees to indemnify and hold harmless the Purchaser and their respective officers, directors, employees and their agents (each, an "**Indemnitee**") from and against any and all claims, damages, penalties, actions, losses, liabilities, judgments, suits and reasonable costs or expenses (including, without limitation, reasonable attorney's fees and expenses) whatsoever which an Indemnitee may incur (or which may be claimed against an Indemnitee by any person or entity whatsoever) by reason of or in connection with any action, proceeding or investigation (whether or not the Purchaser is a party thereto) arising from the entering into and/or performance of this Note Purchase Agreement or any Related Document or the use of the proceeds of this Notes or the consummation of any transactions contemplated herein or in the Resolution, the Accompanying Document, the Trust Agreement or the Direction Letter, including, without limitation, the reasonable fees and disbursements of counsel incurred in connection with any such action, proceeding or investigation (but excluding any such claims, damages, penalties, actions, losses, liabilities, judgments, suits and reasonable costs or expenses, to the extent incurred by reason of the gross negligence or willful misconduct of the Indemnitee, including the sale, transfer or participation of the Notes in violation of Section 4 hereof).

(b) Promptly after receipt by an Indemnitee of notice of the commencement of any action, proceeding, or investigation in respect of which indemnity or reimbursement may be sought as provided above (each, an "**Indemnified Claim**"), such Indemnitee will notify the City in writing of the receipt or commencement thereof, but the failure of an Indemnitee to notify the City with respect to a particular action, proceeding or investigation shall not relieve the City from any obligation or liability which it may have pursuant to this Section 10with respect to such action, proceeding or investigation, or which it may have otherwise than pursuant to this Note Purchase Agreement with respect to any action, proceeding, or investigation, except to the extent such failure to so notify the City with respect to a particular action, proceeding or investigation results in substantial prejudice to the City, in which case the City's indemnification and reimbursement obligations shall be reduced to the extent of such prejudice.

(c) The City shall be entitled at its own expense to participate in and control the defense of any action, proceeding or investigation with counsel reasonably satisfactory to such Indemnitee. Notwithstanding the preceding sentence, an Indemnitee will be entitled to employ counsel separate from counsel for the City and from any other party in such action, proceeding or investigation and to participate in the action, proceeding, or investigation, and the City shall bear the fees and expenses of such separate counsel (and shall pay such fees and expenses as and when incurred), only if the Indemnitee and the counsel selected pursuant to the preceding sentence shall have reasonably concluded that there may be one or more legal defenses available to the Indemnitee which are different from or additional to those available to the City and which cannot be adequately raised by the selected counsel for conflict reasons. Each Indemnitee shall cause its counsel to cooperate with the City in the defense of any action, proceeding or investigation to the extent consistent with its professional responsibilities. The City shall not be liable for the settlement by any Indemnitee of any action, proceeding or investigation effected without its consent, which consent will not be unreasonably or untimely withheld. The City shall not settle or compromise any action, proceeding or investigation, or permit a default or consent to the entry of any judgment with respect thereto, unless such settlement, compromise, default or consent includes, as an unconditional term thereof, the giving by the party other than the City thereto of an unconditional general release to all Indemnitees from all liability in respect of such action, proceeding, or investigation.

9. **Expenses.**

(a) The Purchaser shall be under no obligation to pay and the City shall pay or cause to be paid the expenses incident to the performance of the obligations of the City hereunder including but not limited to (i) the cost of preparing, printing, issuing and delivering the definitive Notes and each of the legal documents, including the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and any supplements and amendments thereto, (ii) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the City, and (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel.

(b) All out-of-pocket expenses of the Purchaser, including the fees of the California Debt and Investment Advisory Commission, fees of the Purchaser's counsel, and other expenses (except as provided above), shall be paid by the Purchaser.

10. **Notices**. Any notice or other communication to be given to the City under this Note Purchase Agreement may be given by delivering the same in writing to: City of Compton, 205 S. Willowbrook Avenue, Compton, California 90220, Attention: City Manager; and any notice or other communication to be given to the Purchaser under this Note Purchase Agreement may be given by delivering the same in writing to: IFS Securities, Inc., 303 Perimeter Center North, Suite 300, Atlanta, Georgia 30346, Attention: Craig Walker.

11. **Parties in Interest**. This Note Purchase Agreement shall constitute the entire agreement between the City and the Purchaser and is made solely for the benefit of the City and the Purchaser (including subsequent purchasers of the Notes and beneficial holders thereof, and successors or assigns of the Purchaser) and no other person shall acquire or have any right hereunder or by virtue hereof. Any remedy which the Purchaser may have at law or in equity by reason of the breach of any representation or warranty of the City made herein shall not expire upon, nor be limited by, (i) delivery of and payment for the Notes pursuant to this Note Purchase Agreement, (ii) any investigations made by or on behalf of the Purchaser or (iii) termination of this

Note Purchase Agreement; provided, however, that such representations and warranties are made only as of the date of this Note Purchase Agreement and as of the date of the Closing and are not continuing.

12. **Effectiveness**. This Note Purchase Agreement shall become effective upon the acceptance hereof by the City and shall be valid and enforceable at the time of such acceptance.

13. **Choice of Law**. This Note Purchase Agreement shall be governed by and construed in accordance with the law of the State applicable to contracts made and performed in such State.

14. **Entire Agreement**. This Note Purchase Agreement, together with any contemporaneous written agreements and any prior written agreements (to the extent not superseded by this Note Purchase Agreement) that relate to the offering of the Notes, represents the entire agreement between the City and the Purchaser with respect to the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, and the conduct of the offering, and the purchase and sale of the Notes.

15. **Representative Capacity**. Any authority, right, discretion or other power conferred upon the Purchaser or the Purchaser under any provision of this Note Purchase Agreement may be exercised by the Purchaser on behalf of the Purchaser, and the City shall be entitled to rely upon any request, notice or statement if the same shall have been given or made by the Purchaser. The Purchaser represents that it has been duly authorized to execute this Note Purchase Agreement and to take such action as it may deem advisable in respect of all matters pertaining to this Note Purchase Agreement.

16. **Severability**. If any provision of this Note Purchase Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Note Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

17. **Section Headings**. Section headings have been inserted in this Note Purchase Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Note Purchase Agreement and will not be used in the interpretation of any provisions of this Note Purchase Agreement.

18. **Counterparts**. This Note Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

Very truly yours,

IFS Securities, Inc., as Purchaser

By: _____
Authorized Officer

CITY OF COMPTON

By: _____
G. Harold Duffey
City Manager

[Counterpart Signature Page to Note Purchase Agreement]

Approved as to form:

CRAIG J. CORNWELL, CITY ATTORNEY

By: _____
City Attorney

#23.

EXHIBIT A

FORM OF CITY CLOSING CERTIFICATE

I, G. Harold Duffey, City Manager of the City of Compton (the "**City**"), acting on behalf of the City, solely in my official capacity and not in my personal capacity, hereby certify in connection with the issuance and delivery of $10,600,000 aggregate principal amount of the City's 2013-14 Tax and Revenue Anticipation Notes (the "**Notes**"), that:

(i) I am a duly qualified and acting representative of the City and as such am familiar with the facts herein certified and am authorized and qualified to certify the same.

(ii) I am acting on behalf of the City solely in my official capacity, and not in any personal capacity whatsoever.

(iii) The City has performed all its obligations required under or specified in Resolution No. _____ of the City Council of the City adopted on July 23, 2013 (the "**Resolution**"), the Accompanying Document Providing for the Terms and Conditions of the Issuance and Sale of the City of Compton 2013-14 Tax and Revenue Anticipation Notes dated as of July 25, 2013 (the "**Accompanying Document**"), the Trust Agreement dated as of July 1, 2013 by and between the City and U.S. Bank National Association, as trustee (the "**Trustee**"), the Direction Letter dated July __, 2013 from the City to the County of Los Angeles, and the Note Purchase Agreement dated July 24, 2013 (the "**Purchase Agreement**") between the City and IFS Securities, Inc., as purchaser, required to be performed at or prior to the date hereof.

(iv) The representations and warranties of the City contained in the Note Purchase Agreement, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter and the Continuing Disclosure Agreement dated as of July __, 2013, by and between the City and U.S. Bank National Association, as dissemination agent, are true and correct in all material respects on and as of the date hereof, and the Note Purchase Agreement, the Resolution, the Accompanying Document, Trust Agreement, the Direction Letter and the Continuing Disclosure Agreement, are in full force and effect and have not been amended, modified or changed.

(v) There does not exist an Event of Default (as defined in the Accompanying Document) as of the date hereof or which with the giving of notice or the lapse of time would constitute a default or Event of Default.

(vi) The Limited Offering Memorandum dated July 22, 2013 (together with all appendices thereto, any documents incorporated therein by reference and any supplements or amendments thereto, and as disseminated in its printed physical form or in electronic form materially consistent with such physical form, the "**Limited Offering Memorandum**"), delivered pursuant to the Note Purchase Agreement, as of the date hereof does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading provided, however, the City makes no representation or warranty with respect to information contained in the Limited Offering Memorandum with respect to The Depository Trust Company, New York, New York or its book-entry system.

(vii) The City has complied in all respects with the Authorizing Law and has complied with and satisfied all the agreements and conditions on its part to be complied with or satisfied at or prior to the date of Closing pursuant to the Note Purchase Agreement, the Resolution, the Accompanying Document and the Trust Agreement.

(viii) Since the date of the Limited Offering Memorandum, there has been no material adverse change in the condition, financial or otherwise, of the City.

All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Note Purchase Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of July, 2013.

CITY OF COMPTON

By: _____
G. Harold Duffey
City Manager

EXHIBIT B

FORM OF RELIANCE LETTER OF BOND COUNSEL

July __, 2013

IFS Securities, Inc.
Atlanta, Georgia

U.S. Bank National Association
Seattle, Washington

Ladies and Gentlemen:

We deliver to you herewith a copy of our approving opinion as Bond Counsel dated the date hereof relating to the City of Compton's 2013-14 Tax And Revenue Anticipation Notes, Series A in the aggregate principal amount of $10,600,000. You are entitled to rely on such opinion as if the same were addressed to you.

Very truly yours,

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

July __, 2013

U.S. Bank National Association
Seattle, Washington

City of Compton
Compton, California

IFS Securities, Inc.
Atlanta, Georgia

Re: $10,600,000 City of Compton, California 2013-14 Tax and Revenue Anticipation Notes

Ladies and Gentlemen:

This opinion is delivered to you in connection with the sale and issuance of the above-referenced notes (collectively, the "**Notes**") of the City of Compton (the "**City**"), in the aggregate principal amount of $10,600,000 pursuant to Section 6 of the Note Purchase Agreement dated July __, 2013 (the "**Purchase Agreement**"), by and between the City and IFS Securities, Inc., as purchaser (the "**Purchaser**"). The Notes have been issued by the City pursuant to Article 7.6 of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, being Sections 53850 through 53858, inclusive, as amended and Section 1403 of the City Charter of the City (collectively, the "**Authorizing Law**"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Note Purchase Agreement.

In rendering this opinion, we have examined a record of proceedings relating to the issuance of the Notes, and have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such documents, instruments or corporate records, and have made such investigation of law, as we have considered necessary or appropriate for the purpose of this opinion. In our capacity as Bond Counsel, we have rendered to the City our opinion dated the date hereof approving the validity of the Notes and certain other matters (the "**Approving Opinion**").

We have assumed, but not independently verified, that the signatures on all documents, letters, opinions and certificates which we have examined are genuine, that all documents submitted to us are authentic and were duly and properly executed by the parties thereto and that all representations made in the Notes, the Note Purchase Agreement, the Resolution, the Accompanying Document, the Trust Agreement, the Direction Letter and the Limited Offering Memorandum that we have reviewed are true and accurate. As to questions of fact material to our conclusions herein, we have relied upon the representations of each party made in the foregoing documents, the certificates and opinions, specifically including, but in no way limited to the City Closing Certificate, which is attached as Exhibit A to the Note Purchase Agreement, and we have made no independent investigation of such matters.

In accordance with our understanding with you, we rendered legal advice and assistance to you in the course of your investigation and negotiations pertaining to, and your participation in the preparation of, the Limited Offering Memorandum and the issuance and sale of the Notes. Rendering such assistance involved, among other things, examinations, inquiries and discussions concerning various legal and related subjects, and reviews of and reports on certain documents and proceedings. We also participated in personal and telephone conferences with representatives of the City, the Office of the City Attorney, the City's Financial Advisor, the Purchaser and its counsel, and others during which the contents of the Limited Offering Memorandum and related matters were discussed and reviewed.

The limitations inherent in the independent verification of factual matters and the character of determinations involved in the preparation of the Limited Offering Memorandum are such, however, that we have necessarily assumed the accuracy, completeness and fairness of and take no responsibility for any of the statements made in the Limited Offering Memorandum. We have also assumed but have not independently verified that the signatures on all documents and certificates that we examined were genuine.

Based upon the foregoing and in reliance thereon and on all matters of fact and as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

1. The Trust Agreement, the Direction Letter and the Note Purchase Agreement have been duly executed and delivered by the City and, assuming due authorization, execution and delivery by and validity against the other parties thereto, are legally valid and binding obligations of the City enforceable against the City in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State of California.

2. The statements contained in the Limited Offering Memorandum with respect to the Notes dated July 22, 2013 under the captions "The Notes" and "Tax Matters", insofar as such statements expressly summarize certain provisions of the Authorizing Law, the Notes, the Accompanying Document and the Resolution and our approving opinion are accurate in all material respects.

Except as set forth in paragraph 2, we undertake no responsibility for the accuracy, completeness or fairness of any Limited Offering Memorandum or other offering materials relating to the Notes and express herein no opinion relating thereto. Furthermore, we express no opinion as to the priority of any liens, including, but not limited to the lien created under the Resolution and the Accompanying Document on the Pledged Moneys referred to therein.

This opinion is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any action hereafter taken or not taken, or any facts or

circumstances, or any changes in law or in interpretations thereof, that may hereafter arise or occur, or for any other reason.

The foregoing opinions are qualified to the extent that the enforceability of the Notes, the Resolution, the Accompanying Document, the Direction Letter and the Trust Agreement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditors' rights or remedies and are subject to general principals of equity regardless of whether such enforceability is considered in equity or at law.

This letter is furnished by us as Bond Counsel and Disclosure Counsel and is solely for your benefit and it is not to be used, circulated, quoted, or otherwise referred to for any purposes other than the offering of the Notes and may not be relied upon by any other person or entity without our express written permission, except that references may be made to it in any list of closing documents pertaining to the delivery of the Notes.

Very truly yours,

EXHIBIT D-1

FORM OF OPINION OF SPECIAL COUNSEL TO THE CITY

EXHIBIT D-2

FORM OF SUPPLEMENTAL OPINION OF SPECIAL COUNSEL

EXHIBIT D-3

FORM OF RELIANCE LETTER OF SPECIAL COUNSEL

EXHIBIT E

FORM OF OPINION OF CITY ATTORNEY

July __, 2013

U.S. Bank National Association
Seattle, Washington

Re: $10,600,000 City of Compton, California 2013-14 Tax and Revenue Anticipation Notes

Ladies and Gentlemen:

This opinion is rendered as counsel to the City of Compton (the "**City**") in accordance with the requirements of Section 6 of the Note Purchase Agreement dated July 23, 2013 (the "**Note Purchase Agreement**"), between the City and IFS Securities, Inc., as purchaser (the "**Purchaser**"), with respect to $10,600,000 aggregate principal amount of City of Compton, California 2013-14 Tax and Revenue Anticipation Notes (the "**Notes**"). All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Note Purchase Agreement.

The Notes are issued pursuant to a resolution of the City Council of the City adopted on July 23, 2013, entitled "A Resolution of the Council of the City of Compton, California Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes for Fiscal Year 2013-14 in an Aggregate Principal Amount Not to Exceed $10,600,000.00" (the "**Resolution**"). The Note Purchase Agreement, the Trust Agreement, the Accompanying Document, and the Continuing Disclosure Agreement are referred to herein collectively as the "**City Legal Documents**."

In our capacity as City Attorney to the City in connection with the issuance of the Notes, we have examined such certified copies of proceedings and documents for the issuance of the Notes, as we deemed necessary for purposes of rendering this opinion. As to relevant factual matters, we have relied upon, among other things, the City's factual representations contained in the City Legal Documents and the Limited Offering Memorandum.

We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies.

From such examination, on the basis of our reliance upon the assumptions in this opinion and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. The City is a charter city, duly organized and validly existing under and pursuant to the Constitution and laws of the State of California.

2. The Resolution was duly adopted by the City Council of the City (the "**City Council**") at a regular meeting of the City Council held on July 23, 2013 pursuant to law and with all public notice required for a regular meeting pursuant to the Ralph M. Brown Act (California Government Code Section 54950 *et seq.*), and at which a quorum of the City Council was present and acting throughout.

3. The Resolution has not been modified, amended, rescinded or revoked and is in full force and effect.

4. To the best of our knowledge, the issuance of the Notes does not in any material respect conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the City is a party or by which it is bound. We express no opinion as to the effect of the City's performance of its obligations under the City Legal Documents on the City's compliance with financial covenants in such agreements, indentures, mortgages, leases or material instruments.

5. To the best of our knowledge, no action, suit, proceeding, inquiry or investigation is pending in which service of process upon the City has been completed and received by the City, or threatened against the City: (a) seeking to restrain or enjoin the sale, issuance or delivery of any of the Notes, the application of the proceeds of the sale of the Notes, or the collection of revenues or assets of the City pledged or available to pay the principal of and interest on the Notes, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Notes, the Note Purchase Agreement, any of the other City Legal Documents, or the Resolution, or contesting the powers of the City or its authority with respect to the Notes, the Note Purchase Agreement, any of the other City Legal Documents, or the Resolution; or (b) in which a final, adverse decision by a court of competent jurisdiction would (i) materially adversely affect the consummation of the transactions contemplated by the Note Purchase Agreement, any of the other City Legal Documents, or the Resolution, or (ii) declare the Note Purchase Agreement or any of the other City Legal Documents to be invalid or unenforceable in whole or material part.

We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, severability or waiver provisions contained in the City Legal Documents.

We express no opinion as to any provision requiring written amendments or waivers insofar as it suggests that oral or other modifications, amendments or waivers could not be effectively agreed upon by the parties or that the doctrine of promissory estoppel might not apply.

Whenever a statement herein is qualified by "to the best of our knowledge," it shall be deemed to indicate that, during the course of our representation of the City in connection with the financing described herein, no information that would give us current, actual knowledge of the inaccuracy of such statement has come to our attention. We have not, however, undertaken any independent investigation to determine the accuracy of such statements, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such investigation. No inference as to our knowledge of any matters bearing upon the accuracy of any such statement should be drawn from the fact of our representation of the City.

A court may refuse to enforce a provision of the City Legal Documents if it deems that such provision is in violation of public policy. No opinion is being given as to the availability of any particular remedy.

This opinion is based on such examination of the present laws of the State of California as we deemed relevant for the purposes of this opinion, and we have not considered the effect, if any, or express any opinion as to the laws of any other jurisdiction. We express no opinion as to the status of the Notes or the interest thereon, or the City Legal Documents under any federal securities laws or any state securities or "Blue Sky" law or any federal, state or local tax law. Without limiting any of the foregoing, we express no opinion as to any matter other than as expressly set forth above.

The opinions expressed herein are matters of professional judgment and are not a guaranty or warranty of any result whatsoever.

This opinion is furnished by us as City Attorney to the City. No attorney-client relationship has existed or exists between us and IFS Securities, Inc. in connection with the Notes or by virtue of this opinion. This opinion may be relied on by you only in connection with the issuance of the Notes. This opinion may not be used or relied upon for any other purpose or by any other person, nor may copies be delivered to any other person, without in each instance our prior written consent, provided however, that it may be included in the transcript of record of proceedings relating to the issuance of the Notes. This opinion is expressly limited to the matters set forth above, and we render no opinion, whether by implication or otherwise, as to any other matters. This letter speaks only as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that arise after the date of this opinion and come to our attention, or any future changes in laws, rules or regulations.

This opinion is given in an official capacity only, and not personally, and no personal liability shall derive or result from this opinion.

Very truly yours,

CITY ATTORNEY FOR THE CITY OF COMPTON

By: _____
Craig J. Cornwell

July 23, 2013

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: OFFICE OF THE CITY ATTORNEY

SUBJECT: AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON, CALIFORNIA ADOPTING AN URGENCY MEASURE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 MAKING FINDINGS AND ESTABLISHING A MORATORIUM TEMPORARILY PROHIBITING THE ACCEPTANCE OF APPLICATIONS OR PERMIT REQUESTS FOR NEW DEVELOPMENTS OF "TOBACCO/SMOKE SHOPS"

SUMMARY:

The City's adoption of Ordinance No. 2159 (codified as Section 7-23 in the Compton Municipal Code) and Ordinance No. 2225 has demonstrated its commitment to protecting minors and the non-smoking public from exposure to secondhand smoke in places where they live, work, and play. The recent proliferation in new tobacco/smoke shop establishments within the community may frustrate the City's purpose to promote a healthy environment and to provide for the public health, safety and welfare. Therefore, until the effects of such proliferation are further studied, an urgency ordinance has been proposed to place a moratorium on prohibiting the acceptance of applications or permit requests for new developments of tobacco/smoke shops within the City.

BACKGROUND:

In 2007, the City adopted Ordinance No. 2159, codified by the Compton Municipal Code ("Municipal Code") as Section 7-23, which requires any retailer who sells any form of consideration of, but not limited to, tobacco, tobacco products, and tobacco paraphernalia to obtain a Tobacco Retailer's Permit. The purpose of Section 7-23 is to prevent retailers from violating state and federal laws by selling to minors in order to better provide for their health and safety.

Additionally, in 2011, the City adopted Ordinance No. 2225, prohibiting smoking and the use of tobacco related products in certain areas already prohibited by state or federal law, and other areas such as public and recreational parks, as well as new and existing multi-unit residences.

The adoption of both ordinances showcases the City's firm stance against the negative effects of tobacco use on the public health.

STATEMENT OF THE ISSUE:

Recently, the City has received inquiries regarding a proliferation in tobacco/smoke shops. Tobacco/Smoke shops are defined as any retail or wholesale business that

predominately sells, offers for sale, or does or offers to exchange for any form of consideration of, but not limited to, tobacco, tobacco products, and tobacco paraphernalia. A proliferation in tobacco/smoke shops may make tobacco and cigarettes more accessible to the public, therefore resulting in an increase in tobacco and cigarette usage, and consequently, an increase in secondhand smoke exposure.

Although the Municipal Code Section 7-23 requires any retailer who sells tobacco to obtain a permit, there are no regulations that pertain specifically to tobacco/smoke shop retailers whose sales consist of *predominately* tobacco products or tobacco paraphernalia.

The proposed urgency ordinance temporarily prohibits the acceptance of applications or permit requests for new developments of tobacco/smoke shops in the City until the adverse effects of these businesses on the City's strong commitment to promote a smoke-free community are studied.

The proposed urgency ordinance, in accordance with California Government Code Section 65858, imposes a moratorium on prohibiting the acceptance of applications or permit requests for new developments of tobacco/smoke shops in the City of Compton until a detailed study has been performed to identify any adverse effects on the City's efforts and goals to promote a smoke-free community.

FISCAL IMPACT:

Any fiscal impact generated from the imposition of this urgency ordinance would be costs accrued to hire City staff and or outside personnel to conduct the studies and research necessary to comply with this legislation.

RECOMMENDATION:

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

CRAIG J. CORNWELL
CITY ATTORNEY

ORDINANCE NO. _____

AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON, CALIFORNIA, ADOPTING AN URGENCY MEASURE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 MAKING FINDINGS AND ESTABLISHING A MORATORIUM TEMPORARILY PROHIBITING THE ACCEPTANCE OF APPLICATIONS OR PERMIT REQUESTS FOR NEW DEVELOPMENTS OF "TOBACCO/SMOKE SHOPS"

WHEREAS, the City of Compton ("the City") has a strong interest in planning, developing, and regulating the use of property within the City. Additionally, the City seeks to ensure that any land use plan or regulation benefits both the public health and economic vitality of the community. Otherwise, sections of the City can quickly deteriorate resulting in tragic consequences to social, environmental, and economic values; and

WHEREAS, Article XI, Section 5 of the California Constitution grants a charter city the power to make and enforce all ordinances and regulations with respect to municipal affairs unless preempted by state legislation on matters of statewide concern; and

WHEREAS, Article XI, Section 7 of the California Constitution grants a city the power to make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, in 2007, the City Council of the City of Compton adopted Ordinance No. 2175, as codified in the Compton Municipal Code ("Municipal Code") as Section 7-23, which requires all retailers selling tobacco to obtain a permit to prevent against the unlawful selling of tobacco products and tobacco paraphernalia to minors and to promote their health, safety, and welfare; and

WHEREAS, in 2011, the City Council of the City of Compton adopted Ordinance No. 2225 to protect the health of 84.1% of Compton residents who are non smokers, and to affirm and promote its strong interest in promoting a healthy environment not only in unenclosed dining, service, common, or public areas, but also, in enclosed areas such as new and existing multi-unit residences; and

WHEREAS, the City has received reports of a recent proliferation in tobacco/smoke shop establishments; and

WHEREAS, the Municipal Code is silent with regard to the regulation of tobacco/smoke shop establishments; and

WHEREAS, such proliferation may frustrate the City's strong efforts to promote a smoke-free environment and to minimize the presence of secondhand smoke in the community resulting in a threat to the public health, safety and welfare, as well as the City's economic vitality; and

WHEREAS, these tobacco/smoke shops may contribute to the increased accessibility and use of cigarettes and tobacco products, resulting in a decrease to the public welfare and an increase in the public's exposure to secondhand smoke; and

WHEREAS, permitting the sale of tobacco in commercial areas subject to frequent consumer traffic increases the risk of shoppers' exposure to secondhand smoke and because of this, may adversely affect the City's ability to attract and retain business within the community; and

WHEREAS, it is the intent of the City Council, effectuated by the results of a comprehensive study, to possibly create regulations restricting the location of the tobacco/smoke shops to certain areas to assure a degree of compatibility between tobacco/smoke shop owners and their customers and the City's interest of promoting the public health and economic vitality of the community.

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

Section 1. Purpose; Findings; Declaration of Urgency.

The City Council finds that prohibiting the acceptance of applications or permit requests for the new development of tobacco/smoke shop establishments conforms to the City's firm commitment of promoting a smoke-free community and severely reducing public exposure to secondhand smoke. Therefore, the purpose of this urgency ordinance is to impose a moratorium on such businesses to provide the City staff time to: (1) assess the adequacy of the Municipal Code Section 7-23 to deal with the proliferation of tobacco/smoke shops; and (2) study any potential adverse effects on the public health and welfare, as well as on the City's economic vitality.

Such findings present a need to adopt this urgency interim ordinance. The City has received inquiries regarding a proliferation in tobacco/smoke shops within the community. However, because the Municipal Code is silent regarding regulation or prohibition of such particular businesses, the City cannot take immediate action to resolve the issue. The increase in tobacco/smoke shops makes tobacco products more accessible, and therefore, more usable. The increased usage of tobacco products may produce harmful secondary smoke which can negatively affect workers, passers-by, neighbors, the elderly, sick and disabled. Particularly, an increase in tobacco/smoke shops may adversely affect minors who may become subjected to first hand smoke via peer pressure. Furthermore, the increased sell of tobacco paraphernalia makes it more convenient for individuals to use these devices not just for tobacco, but also, for illegal-drug activity.

If these tobacco/smoke shops are located near commercial areas with frequent consumer traffic, the City's economic vitality may decrease because consumers of surrounding businesses may not want to be bothered by the nuisance of the secondhand smoke tobacco consumers emit. Furthermore, the potential increased criminal activity resulting from the selling of tobacco paraphernalia may also deter shoppers and proprietors from doing business within the City.

Section 2. Definitions.

The following terms and phrases, whenever used in this section, shall be defined as follows:

"Tobacco/Smoke shops" are any retail or wholesale business that predominately sells, offers for sale, or does or offers to exchange for any form of consideration of, but not limited to, tobacco, tobacco products, or tobacco paraphernalia.

"**Tobacco product"** means: (1) any substance containing tobacco leaf, including but not limited to cigarettes, cigars, pipe tobacco, hookah tobacco, snuff, chewing tobacco, dipping tobacco, bidis, or any other preparation of tobacco; and (2) any product of formulation of matter containing biologically active amount of nicotine that is manufactured, sold, offered for sale, or otherwise distributed with the expectation that the product or matter will be introduced into the human body, but does not include any product specifically approved by the United States Food and Drug Administration for use in treating nicotine or tobacco product dependence.

"Tobacco paraphernalia" means cigarette papers or wrapper, pipes, holders of smoking materials of all types, cigarette rolling machines, and any other item designed for the smoking, preparation, storing, or consumption of tobacco products.

Section 3. **Moratorium.**

The City Council hereby declares a moratorium, based on the findings set forth herein, that no new applications may be accepted and no new permits may be issued for tobacco/smoke shops for the effective period of this Ordinance, except as may be extended as provided by California Government Code Section 65858.

Section 4. **Existing Nonconforming Uses.**

Establishments excluded from this Ordinance are those establishments already in operation at the time of the enactment of this Urgency Ordinance.

Section 5. **Severability.**

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or the application to any person or circumstances, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of Compton hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespectively of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or enforceable.

Section 6: **Effective Date and Posting.**

This ordinance shall become effective immediately upon passage if adopted by at least a four-fifths vote of City Council of the City of Compton and shall be in effect for forty-five (45) days from the date of adoption unless extended by the City Council as provided for by Government Code Section 65858.

Section 7. That a copy of this Ordinance shall be filed in the offices of the City Clerk, City Manager, City Attorney, Building and Safety, Planning and Economic Development, Fire Department and Municipal Law Enforcement Services.

Section 8. 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

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

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

#24.

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Attorney**

RESOLUTION TITLE: **AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON, CALIFORNIA ADOPTING AN URGENCY MEASURE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 MAKING FINDINGS AND ESTABLISHING A MORATORIUM TEMPORARILY PROHIBITING THE ACCEPTANCE OF APPLICATIONS OR PERMIT REQUESTS FOR NEW DEVELOPMENTS OF "TOBACCO/SMOKE SHOPS"**

Ruth Rugley — **7/18/2013 3:37:36 PM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Ruth Rugley — **7/18/2013 5:14:57 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/18/2013 5:09:56 PM**
CITY CONTROLLER — DATE

G. Harold Duffey — **7/18/2013 4:58:55 PM**
CITY MANAGER — DATE

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

July 23, 2013

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **VICTOR OROZCO/ BUILDING AND SAFETY DEPARTMENT**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AGREEMENT AND ISSUE A PURCHASE ORDER TO MELAD AND ASSOCIATES FOR BUILDING PLAN CHECK SERVICES AND TEMPORARY BUILDING INSPECTION SERVICES**

SUMMARY

This resolution authorizes the City Manager to enter to agreement with Melad and Associates, for the amount of **One Hundred Fifty Thousand** ($150,000.00) and issue a purchase order to Melad and Associates to continue providing plan check and temporary inspection services to the Building and Safety Department.

BACKGROUND

The Building and Safety Department utilizes the services of a variety of vendors for its operations each fiscal year. Among these services is the review of building plans to ensure compliance with all applicable codes and ordinances and the performance of certain building inspections when necessary.

Annually the department estimates revenues, for building and plan check services, based on the previous year's actual revenues. A number of factors are considered, including the current economy, economic development efforts and trends and projections in regional business development.

It is important to note, the fees for these services are collected when plans are submitted and permits are requested for Building Department approval. In essence, these funds are collected from the applicants. The fees collected for services are distributed accordingly: Seventy Five Percent (75%) of the fee is paid to Melad and Associates, while the other Twenty Five Percent (25%) is used for other departmental costs associated with the daily operation of the department. This funding does not present an additional liability to the General Fund, as payments from this funding will only be paid after the fees have been collected for services rendered. The fees for service will be collected, deposited into the fund, and only then will the contractor be paid.

The table below illustrates the breakdown on how funds will be disbursed between the consultant and the City of Compton; and

PLAN CHECK FEES (*)			EXPEDITED		SUPPLEMENTAL	
Consultants	Consultant	Compton	Consultant	Compton	Consultant	Compton
Melad and Associates	75%	25%	50%	50%	$60 per hr	+25%

STATEMENT OF THE ISSUE

Melad and Associates is currently providing building plan check services and temporary building inspection services under contract.

FISCAL IMPACT

Funds are available in Account No. 1001-000-000-4269 in the amount of **One Hundred Fifty Thousand Dollars** ($150,000.00) for these services. All fees for plan check services are paid by applicants as part of the building permit process and the monies are deposited into the General Fund.

RECOMMENDATION

That Council adopts the attached resolution authorizing the City Manager to enter into an agreement and issue a purchase order in the amount not to exceed **One Hundred Fifty Thousand Dollars** ($150,000.00) to Melad and Associates for building plan check services for Fiscal Year 2013-2014.

VICTOR OROZCO
SENIOR BUILDING INSPECTOR

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AGREEMENT AND ISSUE A PURCHASE ORDER TO MELAD AND ASSOCIATES FOR BUILDING PLAN CHECK SERVICES AND TEMPORARY BUILDING INSPECTION SERVICES

WHEREAS, it is pertinent that the Building and Safety Department utilize the services of a variety of vendors (consultants and contractors) for effective operation; and

WHEREAS, the Building and Safety Department also requires the professional service of a qualified firm to review building plans to ensure compliance with all applicable codes and regulations; and

WHEREAS, in addition to the Department's in-house plan check and inspection services, the Department must hire a qualified plan check consultant to provide plan checks, expedited plan checks, supplemental plan checks and inspection services; and

WHEREAS, Melad and Associates has an existing contract with the City of Compton on an as- needed basis and has performed satisfactorily; and

WHEREAS, Melad and Associates is a professional qualified firm with a team of state licensed engineers, plan checkers and inspectors that operates out of Huntington Beach, CA and

WHEREAS, the table below illustrates the breakdown on how funds will be disbursed between the consultant and the City of Compton; and

PLAN CHECK FEES (*)			**EXPEDITED**		**SUPPLEMENTAL**	
Consultants	Consultant	Compton	Consultant	Compton	Consultant	Compton
Melad and Associates	75%	25%	50%	50%	$60 per hr	+25%

*The City collects 25% of building permit fees when plans are required

WHEREAS, funding for the plan check services is appropriated in the FY 2013-2014 budget (Account No. 1001-770-000-4269) in the amount of **One Hundred Fifty Thousand Dollars** ($150,000.00).

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

Section 1. That the City Manager is authorized to enter into a contract with Melad and Associates for plan check services and temporary inspection services on an "as needed" basis for Fiscal Year 2013-2014.

Section 2. That a purchase order is authorized to be issues in an amount not to exceed **One Hundred Fifty Thousand Dollars** ($150,000.00).

Section 3. That funds in the amount of **One Hundred Fifty Thousand Dollars** ($150,000.00) is available in the Building and Safety 2013-2014 Fiscal Year budget in Account No. 1001-770-000-4269.

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

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
CITY OF COMPTON:ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the forgoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _____, 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: **Building and Safety**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AGREEMENT AND ISSUE A PURCHASE ORDER TO MELAD AND ASSOCIATES FOR BUILDING PLAN CHECK SERVICES AND TEMPORARY BUILDING INSPECTION SERVICES**

Jerry Durant — **7/3/2013 8:36:10 AM**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

Craig Cornwell — **7/3/2013 3:29:11 PM**
CITY ATTORNEY — DATE

Stephen Ajobiewe — **7/3/2013 2:36:26 PM**
CITY CONTROLLER — DATE

G. Harold Duffey — **7/3/2013 1:04:54 PM**
CITY MANAGER — DATE

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

WARRANTS APPROVED BY COUNCIL

Warrant #	Date	Name	Services Provided	Amount	Amount Paid Year to Date
216832	07/15/13	Los Angeles Co.	Transmission of voter files, equipment, Consolidation, verification and supplies For April 16, 2013 Election	$2,440.26	$0.00

Requested by City Clerk's Office

I hereby certify that the above demand in the amount of $2,440.26 was approved at a regular meeting of the City Council and reject _____ as of July 23, 2013.

_____ Council Member

_____ Council Member

_____ City Manager

I hereby certify that the Finance Committee at a regular meeting of the City Council on July 23, 2013 allowed the above demand.

_____
Alita Godwin
City Clerk

#26.

Los Angeles County **REGISTRAR-RECORDER/COUNTY CLERK**

DEAN C. LOGAN
Registrar-Recorder/County Clerk

Paid By DN
V# 00497242
P.O. # C01447
A/C # 1001-48-0000-4262
A/C # (F)

May 22, 2013

City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

INVOICE # 13-2099
11452-9149-0772

Attention: Alita Godwin, City Clerk

APRIL 16, 2013 CITY OF COMPTON PRIMARY NOMINATING ELECTION

Election Initiation and Preparation	$189.15
Transmission of Voter Files	54.00
Issuing and Receiving Voting Equipment	91.48
Supply Processing	385.98
Precinct Consolidation Verification	328.54
Signature Verification	1,165.11
Supplies Loaned But Not Returned	226.00
TOTAL AMOUNT DUE	$2,440.26

Please send your payment in the enclosed envelope and indicate invoice number 13-2099 on your check to ensure proper credit. If you have any questions, please contact Elaine Qian of the Election Billing Unit, Financial Services Section at (562) 462-2238.

DEAN C. LOGAN
Registrar-Recorder/County Clerk

Corina Masoni

CORINA MASONI, Head
Financial Services Section

PLEASE REMIT WITHIN 30 DAYS TO:
Registrar-Recorder/County Clerk
Financial Services Section
12400 Imperial Hwy Rm 7211
Norwalk, Ca 90650-8357

#26.

CHARGES FOR SUPPORT ELECTIONS

Election Initiation and Preparation

This cost consists of charges for initiating the election process, assigning job numbers to jurisdictions, preparing and distributing election calendar pages, data entering and updating the election processing system.

Election Material Processing

This cost consists of charges for election material processing, distributing, and proofreading.

Transmission of Voter Files

This cost consists of charges for production and transmission of voter files to Martin and Chapman for the purpose of preparing the Street Indexes and Rosters.

Issuing and Receiving Voting Equipment

This cost consists of charges for preparation, issuance and receipt of voting equipment loaned to cities, or vendors representing cities, for the purpose of conducting special elections.

Supply Processing

This cost consists of charges for inspecting election materials/supplies (supply tubs/ballot boxes) post election for any damage or missing components, etc.

Precinct Consolidation Verification

This cost consists of charges for identifying and consolidating precincts, verifying precinct and district boundaries for the specific election.

Signature Verification

This cost consists of charges for searching files to validate signatures submitted from registered voters.

Supplies Loaned But Not Returned

This cost consists of charges for replacement costs for missing and/or damaged equipment and supplies that were loaned to cities or vendors representing the cities.