NOTICE

COMPTON CITY COUNCIL
AGENDA
Tuesday, January 28, 2014
5:45 PM

HEARING(S)

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. JANUARY 7, 2014

REPORTS OF OFFICERS AND COMMISSIONS

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

2. INVESTMENT REPORT NOVEMBER 30, 2013 **(RECEIVE/FILE)**

3. CLAIMS AGAINST CITY:
   Milton Crum (Claim No. I-8626/LI0000315A)

   (Request to Deny Claim)

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND CITY COUNCIL

4. METRO FARE RESTRUCTURING BOARD REPORT AND PUBLIC HEARING **(RECEIVE/FILE)** - Mayor Brown

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORTS

5. **ORAL PRESENTATION** - Change of Legislative Bodies Meeting Time

UNFINISHED BUSINESS

NEW BUSINESS

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2013-2014 FISCAL YEAR BUDGET AND AUTHORIING THE CITY MANAGER TO ACCEPT THE FINAL SETTLEMENT CHECK IN THE AMOUNT OF $104,762.89 FROM AFFILIATED FM INSURANCE COMPANY FOR THE REPAIR AND/OR REHABILITATION OF CITY-OWNED PROPERTY

APPROVAL OF WARRANTS

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, February 04, 2014 @ 5:45 PM.

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

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

JANUARY 7, 2014

The City Council meeting was called to order at 6:07 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

INTRODUCTION OF SPECIAL GUESTS

Mayor Brown recognized Mr. Johnson of the Amer-I-Can Institute.

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Maria Villa Real, President of the Latino Chamber of Commerce, presented the Latino Chamber of Commerce events calendar for the month of January. Business Orientations (from 9 a.m. to 12 p.m.) and Job training in Spanish (from 4 p.m. to 6 p.m.) will be held the first Tuesday of the month; Board member meetings will be held on the 2nd Wednesday of the month; a Talent search will be held the 2nd Friday of the month; and Computer classes (9 a.m. to 1 p.m.) will be held the 3rd Tuesday of the month.

Benjamin Holifield, Compton resident, invited the City Council and community members to participate in the Compton Business Area Network every Thursday at 2201 North Long Beach Boulevard in an effort to unite the City's strengths and move forward.

Teresa Ray, Compton resident, asked that repair schedule for potholes be posted on the City's website. She also asked that the City Council address the issue of code enforcement trespassing on private property.

Lloyd Wilkinson, property owner, announced that on December 18, 2013 his home was violated by code enforcement and Animal Control demanding entrance onto his property. He also stated that on December 19, 2013, Officer Wright visited another property he owns at 710 West Bennett and took pictures. When addressed by the resident at 710-A West Bennett, the officer told the resident that he would have her evicted if she notifies the landlord of his presence.

Mayor Brown assured Mr. Wilkinson that the City Council is fully aware of this matter and it is her sincere hope that code enforcement officers do not continue to infringe on private property.

Councilperson Arceneaux requested the report written by the code enforcement officer to determine what exactly took place.

Mayor Brown asked the City Manager if the City is monitoring complaints from citizens and business owners to make certain that there is not a certain demographic group being unfairly targeted.

City Manager Duffey replied affirmatively.

Mayor Brown requested a report on the various code enforcement violations, infractions and citations, as well as the number of trees trimmed and potholes repaired per district.

Misuho Sato, Compton resident at 710-A Bennett Street, stated that she was frightened by two City employees trespassing on her property on December 19, 2013.

#1.

Pastor George Thomas, Holy Chapel Missionary Baptist Church, invited the City Council and citizens of Compton to attend CCUNAT's First Anniversary Annual Banquet Event to be held January 31, 2014 at the Grand Event Center in the city of Long Beach at 6:30 p.m. The purpose of CCUNAT is to ratify the community by bringing both clergy and community leaders and laity together in a common effort to bring about solace and to be able to galvanize the community towards common goals.

Reverend Charles Brown, Compton 125 Birthday Celebration Committee, cordially invited the City Council and citizens of Compton to participate in the City-wide Day of Prayer to be held Saturday, January 11, 2014 from 9 a.m. to 12 p.m. at 600 North Alameda in the Blue Room.

Mr. Dunley, Compton resident, complained about the lack of parking on the street due to numerous families living in one house or garage.

Muhammed Martinez, former member of the Black Panther Party and current member of the Latino Chamber of Commerce/Latino Political Action Committee, invited the Compton community to listen to the first Black and Brown radio station KTNG 860AM on February 14, 2014.

Minnie Sawyer, Compton resident, petitioned the City Council to do something about code enforcement because she received two citations for not having tags on her parked motor home. She also recognized the printing company on Compton Boulevard, Marvin, and Ms. Angela for their assistance in hosting her Annual Toy Giveaway.

Lorraine Cervantes, Compton resident, stated that she has personally witnessed discriminatory activity by code enforcement officers and warned City officials to be mindful that some of the complaints may be due to neighbor disputes. She also complimented Councilperson Galvan on his speech at Saint Timothy's Episcopal Church and asked that the City Council embrace him and work together.

Joyce Kelly, Compton resident, conceded that the residents are accurate in their testimony when they assert that code enforcement entered their properties without permission. She went on to ask if elected officials receive $75 per Urban Community Development Commission meeting if they do not attend the meetings. Additionally, she urged Councilperson Galvan to go on Pine and Diane Street, and Burris Street between Elm Street and Compton Boulevard to monitor and address the potholes.

Lynn Boone, Compton resident, announced that there were several shootings in the First and Third Districts that were not addressed by the representatives of those Districts.

Darlene Young, owner of Sista Soul Food restaurant, announced that she would be hosting a grand opening event January 11, 2014 on the second floor of the Compton City Plaza. She also mentioned that she was approached by two organizations requesting a fee to join their association.

Mayor Brown notified business owners that they do not have to pay a fee to locate in the City of Compton.

CONSENT AGENDA

On motion by Zurita, seconded by Jones, 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

#1.

APPROVAL OF MINUTES

1. December 3, 2013 - Approved.

END CONSENT AGENDA

REGULAR AGENDA

CITY MANAGER'S REPORT

2. POWERPOINT/ORAL REPORT - SHERIFFS CONTRACT UPDATE

Captain McCray presented a brief overview on the crime data report.

Property crimes - burglaries, larceny thefts*, grand theft autos, and arson

*There was a reduction in all categories except larceny thefts due to an increase in the theft of trash cans.

Violent crimes - There was an increase in the number of criminal homicides and aggravated assaults and a reduction in rapes and robberies.

*36 for 2013, 5 homicides in December 2013

Additional resources obtained in response to the spike in crime: the return of the gang enforcement team, parole compliance team, Cops Teams and redirected efforts of the SAO Team.

Councilperson Arceneaux asked Captain McCray if the Compton Sheriffs' Department is partnering with the courts and parole offices to institute programs to address the potential for early release prisoners contributing to the increase in crime.

Captain McCray explained that they are partnering with stakeholders throughout the community via government agencies to address these problems. He noted that he is not attributing the spike in crime to the realignment because he does not have those statistics.

Mayor Brown cited the various ways the City is partnering with law enforcement to develop a community collaborative strategy and programs that addresses gang violence in the City of Compton.

Councilperson Zurita announced that she would be hosting an Emergency Public Safety Crime Watch meeting in the First District Saturday, January 18, 2014.

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH WILLIE FORGE TO OPERATE THE COMPTON PAR 3 GOLF COURSE AND LEASE THE COURSE PRO SHOP AND SNACK BAR FOR FISCAL YEAR 2013-2014.

On motion by Zurita, seconded by Arceneaux, **Resolution # 23,899** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH WILLIE FORGE TO OPERATE THE COMPTON PAR 3 GOLF COURSE AND LEASE THE COURSE PRO SHOP AND SNACK BAR FOR FISCAL YEAR 2013-2014"** was approved, by the following vote on roll call:

#1.

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

APPROVAL OF WARRANTS - There were no warrants to be approved.

COUNCIL COMMENTS

Councilperson Zurita offered the following announcements/communications:

- Congratulated Ruth Banks on her daughter Sebrilla Beacon's successful career and retirement.

- Free Mammogram Clinic will be held April 2, 2014 from 8:30 a.m. to 3 p.m. Please call (310) 605-5510 to register. Participants must be 40 years old or older.

- Emergency Public Safety Crime Watch meeting will be held Saturday, January 18, 2014 from 10 a.m. to 12 p.m.

- Requested a completion date for the left-hand turning signal at Central and Compton Boulevard; Day of Appreciation for the Compton Fire Department.

Councilperson Galvan offered the following announcements/communications:

- Articulated his excitement for the future of Compton.

- Expressed his appreciation to Assistant City Manager Montgomery for her assistance with a business owner.

- Wished Satra Zurita a speedy recovery from her recent surgery.

*Councilperson Galvan exited the meeting at 7:39 p.m.

Councilperson Arceneaux offered the following announcements/communications:

- Third District Town hall meeting will be held Thursday January 9, 2014 at Burrell McDonald Park starting at 6 p.m.

- Church of Christ Outreach program Incorporation with FYM Foundation will be hosting an "Outreach Event" to be held Saturday, January 11, 2014 at the Stub Hub Center. Admission and parking is free. For more information call (714) 999-1080.

- Requested an update regarding the $6 Billion in unused Rule 20A funds from Southern California Edison (SCE) for underground wiring.

Executive Secretary Duffey assured Councilperson Arceneaux that the City of Compton will have representation and projects ready to qualify for a significant portion of the funds when the proceeds are distributed.

- Councilperson Arceneaux stated that she was a bit disappointed to know the money was available through the Council of Governments (COG) for at least two years and no one from the City of Compton has apply for the funds; but she is glad the process has started now and that the City Manager will be attending the monthly meetings.

- Directed the City Manager to wait until the City receives accurate information as to the ownership of the Compton Campfire site before taking action on purchasing or partnering with the organization to keep the facility available to the community.

- Requested a spokesperson from SCE to provide a presentation on the statistics as to why the lights are out.

- Proposed a concentrated effort to turn the lights on and clean up the City so that crime and gang activity in the City of Compton will cease.

Meeting adjournments
Sarah Steele, mother of Carl Steele

Councilperson Jones offered the following announcements/communications:

- Stated that he hopes the spirit of giving and providing service to the citizens continues into the New Year.

- Parks and Recreation Department has free basketball Clinics at the local parks with sign-ups beginning Saturday, January 11, 2014. For more information contact Brian Parker at (310) 631-3845.

Meeting adjournments
Rosa Torres

Mayor Brown offered the following announcements/communications:

- Call to Action for Churches and Non-profits Community Symposium will be held Friday, January 10, 2014 at California State University Dominguez Hills from 10 a.m. Lunch will be provided. Participants are asked to RSVP at (310) 605-5597.

- Citywide Clean-Up will be held Saturday, January 18, 2014 from 7:30 a.m. to 12 p.m. beginning at Gonzales Park.

- Prayer for Peace event will be held Monday, January 27, 2014 from 7 p.m. to 8 p.m. in front of the Martin Luther King Jr. monument. This event will be held every 4th Monday of the month.

- Recognized the Amer-I-Can Institute and their partners for their contributions to the City of Compton Toy Giveaway wherein 3700 toys were given to Compton residents.

- Invited non-profit organizations to participate in next year's toy giveaways so that everyone can serve the City together.

- Announced the new laws related to employment and driving effective January 1, 2014.

ADJOURNMENT

On motion by Zurita, seconded by Arceneaux, the meeting was adjourned at 8:03 p.m. in the memory of **Sarah Steele** and **Rosa Torres**, by the following vote on roll call:

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

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

#2.

DATE: JANUARY 28, 2014

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 NOVEMBER 30, 2013.

DOUGLAS SANDERS
CITY TREASURER

#2.

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

CITY OF COMPTON
Portfolio Management
Portfolio Summary
November 30, 2013

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Passbook/Checking Accounts -2	705,597.06	705,597.06	705,597.06	4.15	1	1	0.136	0.138
Local Agency Investment Funds	16,183,304.18	16,183,304.18	16,183,304.18	95.12	1	1	0.256	0.260
Managed Pool & Money Market Account	123,984.82	123,984.82	123,984.82	0.73	1	1	0.197	0.199
Investments	**17,012,886.06**	**17,012,886.06**	**17,012,886.06**	**100.00%**	**1**	**1**	**0.251**	**0.254**

Total Earnings	November 30 Month Ending	Fiscal Year To Date
Current Year	3,693.76	18,390.61
Average Daily Balance	**17,646,125.99**	**18,180,978.76**
Effective Rate of Return	**0.25%**	**0.24%**

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 July 2013 the City completed another TRANs transaction of approximately $10.6 million the balance due in June 2014. As of November 30, 2013 the City had an estimated total in the General City Bank account plus LAIF accounts of $9.3 million and approximately under $3.8 million in outstanding warrants to be paid to vendors. We are getting closer to the December property tax distribution to the City of which the majority goes to the Lockbox system set up by the L A County to the Trustee for the TRANs. The balance of the TRANs as of this report is approximately under $3.5 million. 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 11/29/13
3 month T-Bill @ 0.056%
6 month T-Bill @ 0.0960%
1 year T-Bill @ 0.117%

12-19-14

DOUGLAS SANDERS, CITY TREASURER

Reporting period 11/01/2013-11/30/2013

Run Date: 01/15/2014 - 12:51

#2.

CITY OF COMPTON
Portfolio Management
Portfolio Details - Investments
November 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			400,665.65	400,665.65	400,665.65	0.090	0.089	0.090	1	
4000	4000	Neighborhood Improvement			304,931.41	304,931.41	304,931.41	0.200	0.197	0.200	1	
		Subtotal and Average	**705,522.62**		**705,597.06**	**705,597.06**	**705,597.06**		**0.136**	**0.138**	**1**	
Local Agency Investment Funds												
6000	6000	General City			4,851,997.22	4,851,997.22	4,851,997.22	0.260	0.256	0.260	1	
6005	6005	SA Surplus Tax			0.00	0.00	0.00		0.000	0.000	1	
6011	6011	SA Low Cost Housing			176,938.06	176,938.06	176,938.06	0.260	0.256	0.260	1	
6029	6029	Measure R			2,802,833.00	2,802,833.00	2,802,833.00	0.260	0.256	0.260	1	
6019	6019	EDA Revolving Loan			435,520.80	435,520.80	435,520.80	0.260	0.256	0.260	1	
6002	6002	Prop C			4,080,976.24	4,080,976.24	4,080,976.24	0.260	0.256	0.260	1	
6030	6030	PROP A			690,182.24	690,182.24	690,182.24	0.260	0.256	0.260	1	
6027	6027	River Mountain Conservancy			11,732.21	11,732.21	11,732.21	0.260	0.256	0.260	1	
6007	6007	Successor Agency General			10,539.40	10,539.40	10,539.40	0.260	0.256	0.260	1	
6003	6003	Sewer Bond Proceeds			387,610.21	387,610.21	387,610.21	0.260	0.256	0.260	1	
6022	6022	Regional Park			2,734,974.80	2,734,974.80	2,734,974.80	0.260	0.256	0.260	1	
		Subtotal and Average	**16,816,637.51**		**16,183,304.18**	**16,183,304.18**	**16,183,304.18**		**0.256**	**0.260**	**1**	
Managed Pool & Money Market Account												
5004	5004	Formal Assurance Prg Money Mkt			123,452.18	123,452.18	123,452.18	0.200	0.197	0.200	1	
5001	5001	5116 Highmark Fund			0.00	0.00	0.00		0.000	0.000	1	
5005	5005	Rental Rehab Prg Money Market			202.83	202.83	202.83	0.060	0.059	0.060	1	
5003	5003	Residential Rehab Money Market			329.81	329.81	329.81	0.040	0.039	0.040	1	
		Subtotal and Average	**123,965.86**		**123,984.82**	**123,984.82**	**123,984.82**		**0.197**	**0.199**	**1**	
		Total and Average	**17,646,125.99**		**17,012,886.06**	**17,012,886.06**	**17,012,886.06**		**0.251**	**0.254**	**1**	

#2.

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

	November 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	100.07	9,285.68
Plus Accrued Interest at End of Period	-24,092.36	-24,092.36
Less Accrued Interest at Beginning of Period	(-27,686.05)	(-33,197.29)
Interest Earned during Period	3,693.76	18,390.61
Total Interest Earned during Period	**3,693.76**	**18,390.61**
Total Adjustments from Premiums and Discounts	**0.00**	**0.00**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**3,693.76**	**18,390.61**

#2.

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
NOVEMBER 29, 2013

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
101	PAYROLL	WELLS FARGO BANK	1,120,093.69
1001	GENERAL CITY ACCOUNT	BANK OF THE WEST	4,184,177.03
1520	MEASURE R	BANK OF THE WEST	355,750.83
2000	PROP A	BANK OF THE WEST	365,314.94
1200	SA SURPLUS TAX	BANK OF THE WEST	0.00
4000	SA GENERAL	BANK OF THE WEST	5,372,477.52
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	400,665.65
2754-84-85	JTPA - CAREERLINK	BANK OF THE WEST	146,411.16
2805	HOME LOAN PROGRAM	BANK OF THE WEST	149,786.09
2818	SECTION 108 - HUD FUND	BANK OF THE WEST	2,290,602.12
1022	POLICE DRUG PROPERTY FORFEITURE	BANK OF THE WEST	3,184.06
5116	SEWER BONDS PROCEEDS	BANK OF THE WEST	448,328.40
6400	LIABILITY	BANK OF THE WEST	56,075.00
1001	COC - CHANGE FUND	BANK OF THE WEST	195.50
1900	PROP C	BANK OF THE WEST	524,061.03

#2.

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF NOVEMBER 29, 2013

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
6300	WORKERS COMP	BANK OF THE WEST	163,458.90
2820	HOUSING AUTHORITY	BANK OF THE WEST	1,399,872.43
1001	EMERGENCY MEDICAL SERVICES COC	BANK OF THE WEST	371,109.53
1061	COPS GRANT WEED AND SEED	BANK OF THE WEST	54,611.78
1001	COC PARKING VIOLATIONS	BANK OF THE WEST	504,966.84
1001	COC UTILITIES BILLINGS	BANK OF THE WEST	1,011,665.95

#2.

Memorandum

January 28, 2014

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **CITY ATTORNEY**

SUBJECT: **CITY ATTORNEY REPORT/CLAIM NO. I-8626/LI0000315A**

SUMMARY

Council will consider the claim of Milton Crum (Claim No. I-8626/LI0000315A), presented to the City on December 11, 2013, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On December 11, 2013, the above claim was presented to the City Controller by a law firm representing Milton Crum for injury he sustained while riding his bicycle on June 23, 2013. Claimant alleges his bicycle went into an open utility box that did not have cover on it. The location of the alleged incident is the sidewalk west of Victoria Street near Harmon Avenue.

Based upon the information provided by Claimant, the incident appears to have occurred in the City of Carson and therefore the City has no liability for Claimant's personal injuries, because it neither owns nor maintains the area where the alleged incident occurred.

FINANCIAL IMPACT

Forty Thousand Dollars and No Cents ($40,000).

RECOMMENDATION

Staff recommends that this claim be denied.

/S/

CRAIG J. CORNWELL
CITY ATTORNEY

#4. 7U

Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

REGULAR BOARD MEETING
JANUARY 23, 2014

SUBJECT: PUBLIC HEARING FOR FARE RESTRUCTURING

ACTION: SCHEDULE A PUBLIC HEARING DATE ON MARCH 29, 2014; AUTHORIZE PUBLICATION OF LEGAL NOTICE

RECOMMENDATION

A. Schedule a public hearing date on Saturday, March 29, 2014 to receive public comment on possible fare restructuring; and

B. Authorize publication of the attached legal notice (Attachment A)

ISSUE

Metro faces an operating deficit of $36M in two years. This deficit is projected to grow to $225M in ten years. Metro's full funding grant agreements are dependent on a 33% farebox recovery ratio; Metro's current farebox recovery is 26%.

Metro's fare policies are incompatible with current and future services. Metro's current base fare is $1.50 and does not include transfers. This discourages riders without a pass from transferring because they are required to pay another full fare at each boarding. In short, the system penalizes riders for transferring. As the transit network continues to expand, easier transfers will benefit riders and allow greater connectivity.

This proposal helps to mitigate the upcoming deficit as well as benefit Metro customers. With a fare adjustment, we seek to ensure Metro's ability to continue providing reliable service, as well as incentivize riders to use the system, and their investment in it, to its fullest potential.

In compliance with federal public hearing requirements and Metro policy, the Board is required to hold a public hearing and receive public testimony before approving a modification to fares. In addition, the Board will consider the potential impacts these changes may have on the community.

The attached proposed Notice of Public Hearing notifies the public of a hearing on March 29, 2014. The notice includes a description of the changes under consideration.

The approved notice will be posted and distributed following the January 2014 Board adoption of this report. Additional outreach will also be conducted at Metro Service Councils in March, as well as other communications vehicles to encourage public comment. The Board will preside over the public hearing and receive testimony from the public on these matters. A staff report would then be prepared summarizing the findings of the public hearing along with specific staff recommendations. The report would be presented to the Board of Directors at its regular meeting on May 22, 2014 for action. Initial implementation of the fare adjustments is proposed for September 1, 2014.

DISCUSSION

Staff is proposing two options for a revised fare structure as presented in Attachment A. Highlights of the proposed changes are summarized below.

- In Option 1 (Attachment A, page 2), the base fare allows unlimited multidirectional transfers to any Metro rail or bus line within 90 minutes of payment when using a TAP card.
- Option 2 (Attachment A, page 3) also allows unlimited multidirectional transfers to any Metro rail or bus line within 90 minutes when using a TAP card *and* introduces lower fares during off-peak hours and higher fares during peak hours.

Both options have been developed as a multi-year fare restructuring program in three phases, with incremental changes taking place in FY15, FY18 and FY21.

- Monthly passes will be consolidated with EZ passes beginning in Phase 2, allowing passengers to connect between Metro and other local transit operators using a single pass. This consolidation also eliminates additional fares for riders with a Metro pass transferring to a municipal carrier.
- Fares for Express bus lines will be consolidated into one premium surcharge.
- Fares will be adjusted every two years based on Consumer Price Index (CPI) beginning in FY23 in order to keep fares in line with inflation rates.

Metro proposes to realign fares with service this year and to conduct a more comprehensive study of services next year.

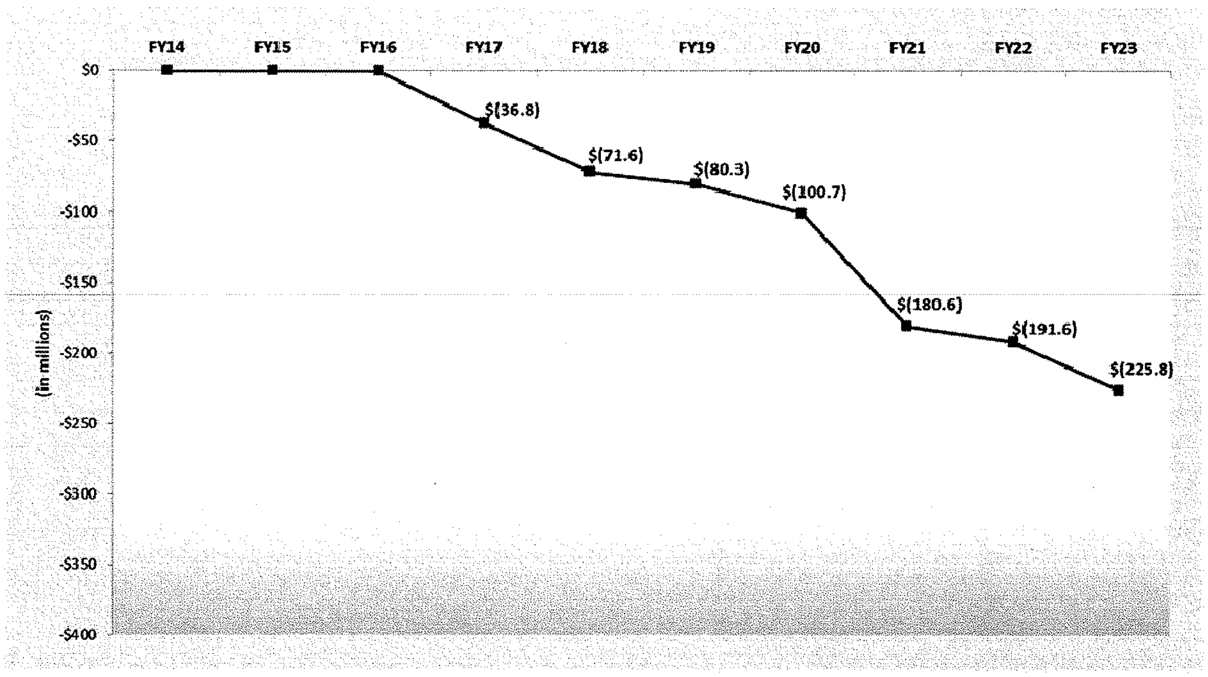
Many passengers transfer at least one time to reach their destination, but the current fare structure requires payment for each boarding. While Metro offers discounted inter-agency transfers (Metro to Muni), we do not offer intra-agency transfers (Metro to Metro). Metro's current fare structure penalizes transit-dependent riders for transferring although industry trends show that most transit agencies offer free or discounted transfers. The inability to transfer results in system inequities, because riders whose origin and destination are not served by a single route pay more when not using a pass. Further, this model does not encourage full use of the public investment in Metro's system.

In an effort to encourage riders to use the system to its fullest, staff proposes implementation of a 90 minute ride with unlimited boardings in any direction on one base fare. This would allow the rider to use the entire transit network to provide the most equitable form of travel. Under the current fare structure, riders taking more than bus or rail line to their destination must pay the base fare a second time to complete their trip. Under the new fare structure, the total cost to the passengers would be less because these riders could complete their trip on one base fare, as long as the final transfer boarding occurs within 90 minutes of initial boarding.

Background: Projected Operating Deficit and Metro's Long Range Transportation Plan

While Metro's current base fare is $1.50, the average fare per boarding is only 70¢ and dropping. As Metro continues to expand and improve our transit network, Metro faces an operating deficit of $36.8M in two years, which will grow to $225M in ten years.

Table 1:



The Long Range Transportation Plan (LRTP) assumes a farebox recovery ratio of 33%, while Metro is currently at 26%. Furthermore, Metro's full funding grant agreements with FTA are dependent on a 33% farebox recovery ratio and the assurance that Metro will be able to operate and sustain new lines.

Since 1995, CPI has increased by 46%, while Metro's average fares have only increased by 17%. Compared to Metro's peer agencies, Metro has the lowest base fare, fare per boarding, load factor and farebox recovery ratio of major US cities with comparable systems. This is an unsustainable structural deficit that must be addressed now. Adjusting fares will help increase revenues to fund future projects and operational costs.

Metro customers have seen only three fare increases in nineteen years. In 2008, senior, disabled and student fares were frozen through December 2012 and remain frozen. As labor costs and other costs have risen, Metro's fare revenues have not kept pace with inflation. Metro must increase its fare revenues to adhere to its LRTP and be able to meet its expenses.

Three Phased Approach

To minimize financial impact to customers, this fiscally responsible fare policy would incorporate gradual and periodic fare changes.

Fare restructuring has been proposed in three phases, with incremental 25¢ base fare changes occurring every three years, and pass fares increasing accordingly. The first phased change would take place in FY15, the second in FY18 and the third in FY21. The targeted farebox recovery ratio of 33% would be accomplished with the implementation of Phase 3.

Consolidation of Regular Monthly Passes and EZ Passes

The changes under consideration include consolidating the Metro regular monthly pass with the EZ pass, allowing riders to connect to other transit operators and ride throughout LA County with one pass. However, because all municipal operators are not yet TAP-enabled, this alternative can only be implemented during Phase 2.

Silver and Express Bus Lines

Also to benefit riders, this proposal includes a simplification of zone and premium fares. Under the current fare structure, a premium fare is charged on the Silver Line, and there are two zone upcharges in addition to the base fare for Express buses. To simplify the fare structure, the proposed changes include the consolidation of the two express zones into one premium surcharge. Furthermore, the new fare structure equalizes the fares for the Silver Line and Express buses, with the goal of eventually eliminating zones. Once zones have been eliminated, the cost of riding the Silver Line or an Express bus would be the same as the base fare.

Future Fare Adjustments Based on CPI

Historically, Metro's fares have not kept pace with inflation. This creates a situation in which fares fall behind and increases become reactionary, making them unpredictable to riders.

To ensure that the farebox recovery ratio remains at a sustainable level beyond the implementation of Phase 3 and to allow the riding public to plan accordingly, Metro should consider revising its fare policy to allow for fare adjustments commensurate with the rate of inflation. Every two years, fares should be adjusted by CPI, rounded to the nearest 5¢ for regular fares and to the nearest dollar for passes.

Title VI

Based on a Title VI analysis, the two options as presented in Attachment A do not create any disparate impacts or disproportionate burdens on Metro's minority and low-income riders. Staff is currently performing a Title VI analysis on whether offering off-peak discounts only to TAP card users poses a disparate impact or disproportionate burden on minority or low-income riders. The full Title VI analysis will be provided at the March 29, 2014 public hearing.

FINANCIAL IMPACT

In Phase 1, the proposed fare restructuring is estimated to provide approximately $30M of incremental fare revenues over the FY15 budgeted amount of $350M for total FY15 fare revenues of $380M. Implementation of Phase 2 is estimated to provide approximately $41M of incremental fare revenues over the FY18 projected amount of $384M for total FY18 fare revenues of $425M. Phase 3 is estimated to provide approximately $53M of incremental fare revenues over the FY21 projected amount of $417M for total FY21 fare revenues of $470M. Additional revenues will be used to fund current service levels and planned expansions.

Financial projections assume that increased fares will cause short-term declines in ridership after each phase is implemented. Historical experience suggests that some riders will return to the system within three to six months after each price change.

ALTERNATIVES CONSIDERED

Option 2 (Attachment A, page 3) as presented in Attachment A yields the same 29% farebox recovery rate achieved in Phase 1 of Option 1. Projections indicate that the peak base fare in Phase 1 for this alternative should be at least $2.25. This would represent a 50% increase from the current $1.50 base fare during peak hours.

NEXT STEPS

With Board approval, staff will initiate the publication of the legal notice and prepare for the upcoming public hearing.

ATTACHMENTS

A. Notice of Public Hearing

#4.

Prepared by: Nalini Ahuja, Executive Director, Office of Management and Budget
(213) 922-3088
Michelle Navarro, Director of Budget, Office of Management and Budget

Paul C. Taylor
Deputy Chief Executive Officer

Arthur T. Leahy
Chief Executive Officer

#4.

Attachment A

Notice of Public Hearing

Los Angeles Metropolitan Transportation Authority

A public hearing will be held by the Board of Directors of the Los Angeles County Metropolitan Transportation Authority (Metro) on Saturday March 29, 2014 at 9:00am in the Metro Headquarters Building, located at One Gateway Plaza, Los Angeles. The hearing is being held in conformance with federal public hearing requirements outlined in Section 9 (e) (3) (H) of the Surface Transportation Assistance Act of 1982, as amended, and public hearing guidelines adopted by Metro's Board of Directors in 1993, as amended.

Under the new fare structure, beginning in Phase 1, the base fare will include unlimited multidirectional transfers to any Metro rail or bus line within 90 minutes of first boarding when using a TAP card. The last boarding must occur within 90 minutes of the first boarding. Beginning in Phase 2, the monthly pass will be consolidated with the EZ pass, allowing customers to ride Metro vehicles and connect to other local transit operators using a single pass. After Phase 3 and beginning in FY23, fares will be adjusted by the Consumer Price Index (CPI) every two years to ensure that fares keep pace with inflation.

Option 2 includes all of the above changes and introduces reduced off-peak fare for regular riders Monday to Friday from 9am to 3pm and 7pm to 5am. The initial boarding will determine the fare. Off-peak includes all day on the weekends and all federal holidays. This option can possibly shift riders from peak to off peak hours.

The purpose of this hearing is to receive public testimony on possible restructuring of Metro's fare structure. These changes are necessary to finance Metro's bus and rail operations and planned expansions. Based on a Title VI analysis, the two options as presented do not create any disparate impacts or disproportionate burdens on minority or low-income riders. The full Title VI analysis will be provided at the March 29, 2014 public hearing. Listed below are the proposals now under consideration:

#4.

OPTION 1

CURRENT		PHASE 1 FY15	PHASE 2 FY18	PHASE 3 FY21
Regular	**Current Pricing**	**A**	**A**	**A**
Base Fare (90 min transfer TAP card only)	$1.50	$1.75	$2.00	$2.25
Day Pass	$5.00	$7.00	$8.00	$9.00
Weekly (7 day)	$20.00	$25.00	$30.00	$32.00
Monthly (30 day)	$75.00	$100.00	*Consolidate w/ EZ*	*Consolidate w/ EZ*
EZ Pass	$85.00	$110.00	$120.00	$135.00
Muni Transfers	$0.35	$0.50	$0.50	$0.50
Monthly Zone Upcharge (EZ/Silver/Express)	$22.00	$22.00	$22.00	$22.00
Senior/Disabled				
Peak	$0.55	$0.75	$0.90	$1.10
Off-Peak[1]	$0.25	$0.35	$0.50	$0.70
Day Pass	$1.80	$2.50	$3.00	$3.50
Monthly (30 day)	$14.00	$20.00	$24.00	$28.00
EZ Pass	$35.00	$42.00	$50.00	$60.00
Monthly Zone Upcharge (EZ Pass)	$9.50	$9.50	$9.50	$9.50
Muni Transfers	$0.10	$0.25	$0.25	$0.25
Student/College				
Student Cash	$1.00	$1.25	$1.50	$1.75
Student 30 Day	$24.00	$29.00	$35.00	$42.00
College 30 Day	$36.00	$43.00	$52.00	$62.00
Silver				
Regular Silver[2]	$2.45	$2.50	$2.50	$2.50
Silver Upcharge	$0.25 - $0.95	$0.75	$0.50	$0.25
Senior/Disabled Silver	$1.15	$1.35	$1.35	$1.35
Senior/Disabled Off-peak Silver	$0.85	$0.95	$0.95	$0.95
Senior/Disabled Silver Upcharge[3]	$0.30 - $0.60	$0.60	$0.45	$0.25
Express				
Express Fare	$2.20 - $2.90	$2.50	$2.50	$2.50
Express Zone Upcharge[3]	$0.70 - $1.40	$0.75	$0.50	$0.25
Senior/Disabled Express Upcharge	$0.30 - $0.60	$0.60	$0.45	$0.25
Boardings		-4%	-3%	-2%
IMPACTS:				
Farebox Recovery	**26%**	**29.65%**	**32.44%**	**34.14%**
Fare per Boarding	**$0.70**	**$0.85**	**$0.99**	**$1.11**

1. Off-Peak hours are Weekdays 9 a.m. – 3 p.m. and 7 p.m. – 5 a.m. and all day on weekends and Federal holidays.
2. The special fares for Silver and Express lines will be gradually phased out to be the same price as the base fare.
3. The Silver and Express upcharge applies to weekly, monthly and EZ pass holders. Senior/Disabled, Students/College monthly pass holders and Day Pass holders pay no additional upcharge, currently or in any future phases

#4.

OPTION 2 - Off Peak Included

CURRENT		PHASE 1 FY15	PHASE 2 FY18	PHASE 3 FY21
Regular	**Current Pricing**	**A**	**A**	**A**
Base Fare (90 min transfer TAP card only)	$1.50	$2.25	$2.75	$3.25
Off Peak[1]		$1.50	$1.75	$2.00
Day Pass	$5.00	$9.00	$11.00	$13.00
Weekly (7 day)	$20.00	$32.00	$38.00	$45.00
Monthly (30 day)	$75.00	$125.00	Consolidate w/EZ	Consolidate w/EZ
EZ Pass	$85.00	$135.00	$150.00	$180.00
Muni Transfers	$0.35	$0.50	$0.50	$0.50
Monthly Zone Upcharge (Silver/Express)	$22.00	$22.00	$0.00	$0.00
Monthly Zone Upcharge(EZ Pass)	$22.00	$22.00	$22.00	$22.00
Senior/Disabled				
Peak	$0.55	$0.90	$1.00	$1.10
Off-Peak[1]	$0.25	$0.50	$0.55	$0.60
Day Pass	$1.80	$2.75	$3.25	$3.50
Monthly (30 day)	$14.00	$22.00	$25.00	$28.00
EZ Pass	$35.00	$42.00	$50.00	$60.00
Monthly Zone Upcharge (EZ Pass)	$9.50	$9.50	$9.50	$9.50
Muni Transfers	$0.10	$0.25	$0.25	$0.25
Student/College				
Student Cash	$1.00	$1.25	$1.50	$1.75
Student 30 Day	$24.00	$29.00	$35.00	$42.00
College 30 Day	$36.00	$43.00	$52.00	$62.00
Silver				
Regular Silver[2]	$2.45	$2.50	Same as Base Fare	Same as Base Fare
Regular Silver Off-Peak[1]		$1.75	Same as Base Fare	Same as Base Fare
Silver Upcharge[3]	$0.25 - $0.95	$0.25	none	none
Senior/Disabled Silver	$1.15	$1.15	Same as Base Fare	Same as Base Fare
Senior/Disabled Off-peak Silver[1]	$0.85	$0.95	Same as Base Fare	Same as Base Fare
Senior/Disabled Silver Upcharge	$0.30 - $0.60	$0.45	none	none
Express				
Regular Express	$2.20 - $2.90	$2.50	Same as Base Fare	Same as Base Fare
Regular Express Off-Peak		$1.75	Same as Base Fare	Same as Base Fare
Express Zone Upcharge[3]	$0.70 - $1.40	$0.25	none	none
Senior/Disabled Express	$0.85 - $1.15	$1.15	Same as Base Fare	Same as Base Fare
Senior/Disabled Express Upcharge	$0.30 - $0.60	$0.25	none	none
Boardings		-6%	-3%	-3%
IMPACTS:				
Farebox Recovery	**26%**	**29.10%**	**31.23%**	**34.33%**
Fare per Boarding	**$0.70**	**$0.84**	**$0.97**	**$1.14**

1. Off-Peak hours are Weekdays 9 a.m. – 3 p.m. and 7 p.m. – 5 a.m. and all day on weekends and Federal holidays.
2. The special fares for Silver and Express lines will be gradually phased out to be the same price as the base fare.
3. The Silver and Express upcharge applies to weekly, monthly and EZ pass holders. Senior/Disabled, Students/College monthly pass holders and Day Pass holders pay no additional upcharge, currently or in any future phases

Fare changes consistent with these proposals may be approved in whole or in part later this year based on public input. The proposed effective date for the approved changes is September 1, 2014. Interested members of the public are encouraged to attend the upcoming public hearing and provide testimony. There will also be additional fare forums held at the regularly scheduled Service Council meetings in March. Persons unable to attend the hearing or the fare forums may submit a written testimony postmarked through March 29, 2014. Correspondence should be addressed to:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2932
Attn: Michele Jackson

Comments may also be submitted electronically to *publichearing@metro.net*.

#6.

January 28, 2014

TO: **MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **CITY ATTORNEY**

RE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ACCEPT THE FINAL SETTLEMENT CHECK IN THE AMUNT OF $104,762.89 FROM AFFILIATED FM INSURANCE COMPANY FOR THE REPAIR AND/OR REHABILITATION OF CITY-OWNED PROPERTY**

SUMMARY

The City Council will consider adopting a resolution authorizing the City Manager to accept the additional settlement or hold back amount, offered by the City's property insurance carrier, as a result of damaged property from the fire at Fire Station No. 1 on December 11, 2011.

BACKGROUND

The City's Fire Station No. 1 located at 201 S. Acacia Avenue was damaged by fire on December 11, 2011. The City's property insurance carrier assessed reasonable replacement cost at **$380,632.79** and actual cash value at **$275,869.90**. The assessment for fire station repairs was estimated at **$41,614.00**. The City received a check from Affiliated FM in 2012, for **$307,483.90**. This check represented the actual cash value, plus the estimated fire repairs estimate, less a **$10,000.00** deductible **($275,869.90 + $41,614.00 - $10,000.00 = $307,483.90)**.

STATEMENT OF ISSUE

There was a difference of $104,762.89 between the replacement value and the actual cash value of the communications equipment damaged in the fire. This $104,762.89 is considered depreciation "Hold back" or Repair and Replace Holdback. The insurance company would only reimburse the City the Repair & Replace Holdback amount of $104,762.89 if the City could exhibit unplanned expenditures related to covered City property, greater than or equal to the value of the replacement cost, of $380,632.79. In order to qualify for the holdback, the City had to show proof of costs already

#6.

incurred, or, within a 2 year period, but no later than 12-11-13, unplanned expenditures due to needed replacement or repair of City property.

Beginning in 2012, the Risk Management Division, contacted various department heads on a diary system, to determine if there were expenditures that met the insurance company's qualifications, in order to recover the holdback of $104,762.89. The Director of General Services and Fire Chief were able to identify repairs in November 2013, and submitted them to Risk Management. The City met Affiliated FM's qualification with the identified needed repairs that totaled over $380,632.79, and Risk Management received a check for $104,762.89 within 6 days of the 12-11-13 deadline.

In summary, the City has now received a total settlement of $**412,246.79** from the property insurance carrier for property damage at Fire Station 1 for the fire that occurred on December 11, 2011. This represents replacement costs and assessment for repair of damages at Fire Station 1, less a $10,000.00 deductible.

FISCAL IMPACT

Reimbursement of $104,762.89, will be deposited into account number 3030 5100 RRH 3571, for payment of the Lease Revenue Bond and repairs as outlined above.

RECOMMENDATION

Staff recommends that Council adopt the attached Resolution authorizing the City Manager to accept final settlement offered by Affiliated FM for the Repair and Replacement holdback of $104,762.89, as a result of the fire at Fire Station 1 on December 11, 2011.

MONICA TURNER
RISK MANAGER

CRAIG CORNWELL
CITY ATTORNEY

APPROVED FOR FORWARDING:

G. HAROLD DUFFY
CITY MANAGER

#6.

RESOLUTION NO. ____________________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2013-2014 FISCAL YEAR BUDGET AND AUTHORIZING THE CITY MANAGER TO ACCEPT THE FINAL SETTLEMENT CHECK IN THE AMOUNT OF $104,762.89 FROM AFFILIATED FM INSURANCE COMPANY FOR THE REPAIR AND/OR REHABILITATION OF CITY-OWNED PROPERTY

WHEREAS, there was a fire at Fire Station 1 that caused property damage on December 11, 2011; and

WHEREAS, the City's property insurance carrier, Affiliated FM Insurance Company assessed reasonable replacement cost at $380,632.79 and actual cash value at $275,869.90, in addition to fire station repairs at $41,614.00; and

WHEREAS, on or about December 2012, the insurance carrier issued a check to the City in the amount of $307,483.90, which represents the actual cash value plus the estimated fire repairs, less a $10,000.00 deductible; and

WHEREAS, there is a difference, or depreciation holdback of $104,762.89 between the replacement cost of the equipment and the actual cash value that the insurance carrier would reimburse to the City if it could be demonstrated that unplanned expenditures related to the covered property was greater than or equal to the value of the replacement cost of $380,632.79; and

WHEREAS, the City has met the insurance carrier's qualifications to receive the amount held back and have issued a final settlement check to the City in the amount of $104,762.89; and

WHEREAS, staff recommends that the City Council authorize the City Manager to accept the settlement payment from Affiliated FM Insurance Company for the repair and/or rehabilitation of City-owned property.

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 accept the final settlement payment in the amount of $104,762.89 from Affiliated FM Insurance Company for the repair and/or rehabilitation of City-owned property.

SECTION 2. That the 2013-2014 Fiscal Year budget shall be amended as follows:

Increase Revenue:

Account Number	Description	Amount
3030 000 000 3571	Repair and Replace Holdback	$104,762.89

#6.

<u>Increase Expenditures:</u>

Account Number	Description	Amount
3030 510 RRH 4334	Repair and Replace Holdback	$104,762.89

<u>SECTION 3.</u> That these funds shall be used for the purpose of repair and/or rehabilitation of City-Owned Property.

<u>SECTION 4.</u> That a certified copy of this resolution will be filed in the offices of the City Manager, City Attorney, City Controller and the City Clerk.

<u>SECTION 5.</u> That the Mayor shall sign and the City Clerk shall attest to this resolution.

ADOPTED this ___________day of ____________ 2014

____
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 _______, 2014.

That said resolution was adopted by the following vote:

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

____
CITY CLERK OF THE CITY OF COMPTON

#6.

Affiliated FM Insurance Company
6320 Canoga Avenue, Suite 1100
Woodland Hills, CA 91367 USA
T: **818 227 2200** F: 818 883 0759
www.affiliatedfm.com

December 5, 2013

Monica Turner, Risk Manager
City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

RE:

Client:	City of Compton
Location of Loss:	Compton, CA
Date of Loss:	12/11/2011
Loss ID:	307824
Claim ID:	406817

Dear Ms. Turner:

Enclosed is an Affiliated FM Insurance Company check in the amount of $104,762.89, which represents the final payment of the above captioned claim along with a Statement of Settlement of Loss for your records.

We trust you will find the enclosures in order, however, if you have any questions, please feel free to contact me.

Sincerely,

Jeffrey C. Casillas
Los Angeles Ops Claims Mgr.

/og
Enclosures

Cc: Thanh Tien - Los Angeles Ops

checkletter.dot (Rev. Apr 2013eeb)

#6.

Affiliated FM

STATEMENT OF SETTLEMENT OF LOSS

Paid under Policy No. TQ348

Insured:	City of Compton		
Location:	Compton, California, United States of America		
Loss ID:	307824	Account No.:	67666
Claim ID:	406817	Index No.:	0
Reported Date:	14-Dec-2011	Date Issued:	17-Dec-2012
Date of Loss:	11-Dec-2011	**Amount Paid:**	**$ 104,762.89**

Property Damage (PD):	$ 421,465.79
Deductible:	$ (10,000.00)
Previous Payment:	$ (306,702.90)
Final PD:	$ 104,762.89
Total:	$ 104,762.89

Payable to: City of Compton

Adjusted by: Thanh Tien

This statement confirms that the above referenced Insured has sustained loss and/or damage for which a claim has been made under the insurance policy identified above, as shown in this Statement of Settlement of Loss. Endorsement of a check annexed hereto or acceptance of an electronic transfer of funds is acknowledged to be in payment of said loss and/or damage under said policy. This Statement of Settlement of Loss is incorporated into any additional settlement agreement separately executed.

State/provinical law requires the following wording on all claim forms:
FOR YOUR PROTECTION, CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM:

ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

#6.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Risk Management**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2013-2014 FISCAL YEAR BUDGET AND AUTHORIING THE CITY MANAGER TO ACCEPT THE FINAL SETTLEMENT CHECK IN THE AMOUNT OF $104,762.89 FROM AFFILIATED FM INSURANCE COMPANY FOR THE REPAIR AND/OR REHABILITATION OF CITY-OWNED PROPERTY**

Ruth Rugley	**1/6/2014 1:12:19 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

<LegalName>	**<LegalDate>**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**1/9/2014 1:23:25 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**1/9/2014 1:06:10 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.