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Agendas and other writings that will be distributed to the Councilmembers in connection with a matter subject to discussion or consideration at this meeting and that are not exempt from disclosure under the Public Records Act, Government Code Sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22, are available for inspection following the posting of this agenda in the City Clerk's Office, at Commerce City Hall, 2535 Commerce Way, Commerce, California, and the Central Library, 5655 Jillson Street, Commerce, California, or at the time of the meeting at the location indicated below.

**AGENDA FOR THE CONCURRENT REGULAR MEETINGS OF
THE CITY COUNCIL OF THE CITY OF COMMERCE AND
THE CITY COUNCIL OF THE CITY OF COMMERCE AS SUCCESSOR
AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT
COMMISSION
SENIOR CITIZENS CENTER
2555 COMMERCE WAY, COMMERCE, CALIFORNIA**

TUESDAY, FEBRUARY 21, 2012 – 6:30 P.M.

CALL TO ORDER

Mayor Aguilar

PLEDGE OF ALLEGIANCE

Scott Wasserman
Interim Parks and Recreation Director

INVOCATION

Councilmember Robles

ROLL CALL

City Clerk Olivieri

APPEARANCES AND PRESENTATIONS

1. Presentation of Scroll by Los Angeles County Economic Development Corporation (LAEDC) Recognizing City of Commerce's Participation in 2011 Most Business Friendly City Program

The City has been a finalist for the "Eddy Awards-Most Business Friendly Award City" category for the last three years.

The **City Council** will receive scroll from the Los Angeles County Economic Development Corporation (LAEDC) recognizing the City of Commerce's participation in the 2011 Most Business Friendly City Program.

PUBLIC COMMENT

Citizens wishing to address the City Council and City Council as Successor Agency to the Commerce Community Development Commission ("Successor Agency") on any item on the agenda or on any matter not on the agenda may do so at this time. However, State law (Government Code Section 54950 et seq.) prohibits the City Council/ Successor Agency from acting upon any item not contained on the agenda posted 72 hours before a regular meeting and 24 hours before a special meeting. Upon request, the City Council/Successor Agency may, in their discretion, allow citizen participation on a specific item on the agenda at the time the

item is considered by the City Council/Successor Agency. Request to address City Council/Successor Agency cards are provided by the City Clerk. If you wish to address the City Council/ Successor Agency at this time, please complete a speaker's card and give it to the City Clerk prior to commencement of the City Council/Successor Agency meetings. Please use the microphone provided, clearly stating your name and address for the official record and courteously limiting your remarks to five (5) minutes so others may have the opportunity to speak as well.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

No person shall make any remarks which result in disrupting, disturbing or otherwise impeding the meeting.

CITY COUNCIL REPORTS

CONSENT CALENDAR

Items under the Consent Calendar are considered to be routine and may be enacted by one motion. Each item has backup information included with the agenda, and should any Councilmember desire to consider any item separately he/she should so indicate to the Mayor. If the item is desired to be discussed separately, it should be the first item under Scheduled Matters.

2. Approval of Minutes

The **City Council and City Council as Successor Agency to the Commerce Community Development Commission** will consider for approval, respectively, the minutes of the Concurrent Special Meetings of Tuesday, February 7, 2012, held at 5:00 p.m. and Concurrent Regular Meetings of Tuesday, February 7, 2012, held at 6:30 p.m.

3. Approval of Warrant Register No. 16

The **City Council and City Council as Successor Agency to the Commerce Community Development Commission** will consider for approval, respectively, the bills and claims set forth in Warrant Registers No. 16A, dated February 21, 2012, and No. 16B, for the period February 8, 2012, to February 16, 2012.

4. A Resolution of the City Council of the City of Commerce, California, Approving the Execution of Cash Contract No. 1111 – Energy Efficiency Upgrades at Various City Buildings ARRA Energy Efficiency and Conservation Block Grant (CBG-09-165) in the City of Commerce, with Hi-Tech Electric of Fullerton, California; and Rejecting all other Proposals and other Matters Related Thereto

The **City Council** will consider for approval and adoption a proposed Resolution, approving the execution of Cash Contract No. 1111 – Energy Efficiency Upgrades at various City Buildings ARRA Energy Efficiency Conservation Block Grant (CBG-09-165) in the City of Commerce with Hi-Tech Electric of Fullerton, California, and reject all other proposals and assign the number next in order.

5. A Resolution of the City Council of the City of Commerce, California, Approving a Purchase and Sale Agreement With the Vons Companies, Inc. for the City's Easement Interest Over A Portion of Boxford Avenue North of Slauson Avenue and Joint Escrow Instructions

CONCURRENT REGULAR COUNCIL/SUCCESSOR AGENCY AGENDA

02/21/2012 – 6:30 p.m.

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The Vons Companies, Inc. offered to purchase the City's ownership interest in Boxford Avenue, which bisects the company's 19-acre food manufacturing and processing plant site located at 3415 Boxford Avenue, Commerce, with frontage along Slauson Avenue. Vons prepared a master plan for its facility identifying various improvements to the property and is contemplating a possible future expansion of production lines. Vons originally believed that the City's ownership interest in the street was in fee. The City determined that it was able to proceed with the vacation and relinquishment of the street as requested. On August 1, 2011, the City Council approved a Purchase and Sale Agreement with Vons for the sale of its fee interest in Boxford Avenue to Vons and on August 31, 2011, a First Amendment to the Purchase and Sale Agreement was entered into extending the feasibility period until October 31, 2011. The City Council approved and ratified the First Amendment on October 4, 2012.

The parties subsequently discovered that the City's ownership interest was not in fee, but was in fact an easement. Therefore, Vons and the City have been unable to close escrow. Instead, the parties agreed to seek a new appraisal to properly reflect the value of the City's easement and have now agreed upon the value and that a new Purchase and Sale Agreement is appropriate.

The **City Council** will consider for approval and adoption a proposed Resolution approving a Purchase and Sale Agreement for the City's easement over a portion of Boxford Avenue north of Slauson Avenue and joint escrow instructions with the Vons Companies, Inc.

PUBLIC HEARINGS

6. Public Hearing – Abatement of Noxious or Dangerous Weeds – Hearing of Protests

The City Council declared by approving Resolution No. 12-12 on February 7, 2012, that weeds, brush, rubbish and refuse upon or in front of specified properties in the City are a seasonal and recurring public nuisance and further declared its intention to provide for the abatement of said nuisance.

The public hearing is held annually to allow those property owners affected by the Los Angeles County Agricultural Commissioner/Director of Weights and Measures' weed abatement program to protest the inclusion of their properties with the program.

Following the public hearing, the **City Council** will consider for approval the Abatement Order directing the Los Angeles County Agricultural Commission/Director of Weights and Measures to abate the public nuisance as outlined above.

SCHEDULED MATTERS

7. Acceptance of Resignation of City Council Seat by Robert C. Fierro and Council Vacancy Options

The **City Council** will consider, and take the appropriate action as deemed necessary with respect to, 1) Accepting the resignation of Robert C. Fierro of his City Council seat, effective February 14, 2011; and the following options regarding the City Council vacancy resulting from Mr. Fierro's resignation: 2) Appointment of a qualified person to fill the vacancy for the remainder of the unexpired term or calling for a Special Municipal Election to fill the vacancy; 3) Take action to replace Mr. Fierro with another current Councilmember to the outside committee and/or board positions previously held by Mr. Fierro or leaving such positions

vacant until filled on April 2, 2012, when the City Council is scheduled to conduct its annual appointment of delegates and alternates, and 4) Remove, replace or confirm some or all of Mr. Fierro's appointees to the City's Commissions and Committees.

8. Review of the City's Financial Status as of December 31, 2011, and Approval of Adjustments to 2011-2012 Fiscal Year Budget

The **City Council** and **City Council as Successor Agency to the Commerce Community Development Commission** will conduct, and take appropriate action with respect to, the City's financial status as of December 31, 2011, and their mid-year review of the approved 2011-2012 fiscal year operating budget and requested and/or recommended adjustment thereto.

9. City of Commerce 2011 Annual Report

The **City Council** will consider for receipt and filing the City's 2011 Annual Report. The report highlights significant program and service achievements that were sustained despite expenditure reductions during the past year.

10. Proposed Program Changes – Annual Baby Show, Garden Show and Cinco de Mayo Celebration

The **City Council** will consider, and provide appropriate direction as deemed necessary with respect to, changes to the Annual Baby Show, Garden Show and Cinco de Mayo Celebration, as recommended by the Department of Parks & Recreation.

11. City Fundraiser Campaign

The City of Commerce is seeking to solicit donations from local businesses to subsidize the cost of special events and programs. Staff has developed a sample cover letter, sponsorship packets, and a Donation Policy, for Council's review and input.

At the request of Councilmember Robles, the **City Council** will discuss and take appropriate action as deemed necessary with respect to, the City's proposed donation packet and Sponsorship Policy.

ORDINANCES AND RESOLUTIONS

CIP PROGRESS REPORT

LEGISLATIVE UPDATE

I-710 LOCAL ADVISORY COMMITTEE UPDATE

RECESS TO CLOSED SESSION

ADJOURNMENT

Adjourn to Tuesday, March 6, 2012, at 5:00 p.m. in the City Council Chambers.

**LARGE PRINTS OF THIS AGENDA ARE AVAILABLE UPON REQUEST
FROM THE CITY CLERK'S OFFICE, MONDAY-FRIDAY,
8:00 A.M. - 6:00 P.M.**



AGENDA REPORT

DATE: February 21, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION (LAEDC) PRESENTATION OF A SCROLL RECOGNIZING THE CITY OF COMMERCE PARTICIPATION IN 2011 MOST BUSINESS FRIENDLY CITY PROGRAM

RECOMMENDATION:

Accept recognition scroll from LAEDC honoring the City of Commerce for its business friendly commitment and for participating in the 2011 LAEDC's Most Business Friendly City Program.

MOTION:

Approve the recommendation.

BACKGROUND/ANALYSIS:

The City of Commerce is a member city of the Los Angeles County Economic Development Corporation. Membership in this organization has many benefits as it affords the city access to the many services and expertise of the LAEDC for business retention, attraction, and recruitment efforts. In addition, the LAEDC annually recognizes member cities and their ongoing efforts to promote economic development.

For the last three years the City has been a finalist for the "Eddy Awards-Most Business Friendly Award City" category. The LAEDC is presenting the City with a scroll to recognize our ongoing efforts. Ms. Carrie Rogers, Vice President Business Assistance and Development will present the scroll.

The City hopes to further enhance our relationship with LAEDC and looks to further establish and define its commitment to economic development. Economic Development has lost one of its most powerful tools in redevelopment. Given this reality, it is more important than ever for the City to cultivate and develop an economic development model that works at the local level while strengthening the region as a whole.

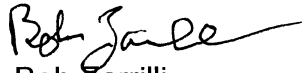
FISCAL IMPACT:

There is no fiscal impact associated with this recognition effort.

RELATIONSHIP TO 2009 STRATEGIC GOALS:

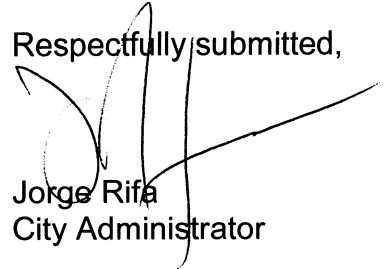
The issue before the Council is applicable to the following Council strategic goal to "*Protect and Enhance Quality of Life in the City of Commerce*". The City's commitment to economic development is necessary to insure a healthy and thriving business community in Commerce.

Recommended by:



Bob Zarrilli
Director of Community Development

Respectfully submitted,



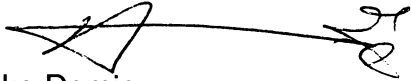
Jorge Rifa
City Administrator

Prepared by:



Alex Hamilton
Assistant Director of Community Development

Fiscal Impact Reviewed by:



Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney



AGENDA REPORT

MEETING DATE: February 21, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: RESOLUTION APPROVING THE EXECUTION OF CASH CONTRACT NO. 1111 – ENERGY EFFICIENCY UPGRADES AT VARIOUS CITY BUILDINGS ARRA ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (CBG-09-165) IN THE CITY OF COMMERCE, WITH HI-TECH ELECTRIC OF FULLERTON, CALIFORNIA; REJECTING ALL OTHER PROPOSALS, AND OTHER MATTERS RELATED THERETO

RECOMMENDATION:

Approve the Resolution and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND:

The City of Commerce recognizes that it is in the interest of the region, state, and national economy to stimulate the economy; create and retain jobs; reduce fossil fuel emissions; and reduce total energy usage and improve energy efficiency within our jurisdiction.

Energy Efficiency and Conservation Block Grant (EECBG) funds were made available through the California Energy Commission's EECBG Program for grants to eligible local governments for cost-effective energy efficiency projects. The City is eligible for EECBG funding under the California Energy Commission's EECBG Program.

On January 19, 2010, the City Council authorized the submittal of an application for EECBG funds for the implementation of energy efficiency improvements at City Hall, Transportation, Rosewood Community Center, Bandini Community Center and Teen Center.

On September 21, 2010, the City Council approved the execution of Grant Agreement No. CBG-09-165 with the California Energy Commission for ARRA – Energy Efficiency and Conservation Block Grant.

On September 6, 2011, the City Council approved the Request for Proposals for Energy Efficiency Upgrades at Various City Buildings in accordance with Grant Agreement No. CBG-09-165.

On December 1, 2011, at 10:00 am, in accordance with the Notice Inviting Sealed Bids/Proposals, the City Clerk received five (5) proposals, as follows:

Name	City	Bid Amount
Hi-Tech Electric	Fullerton, CA	\$111,988.44
J. Kim Electric, Inc.	Fullerton, CA	\$124,729.09
Sylvania Lighting Services, Corp.	Temecula, CA	\$128,412.00
F.E.S.S. Energy Solutions	Pasadena, CA	\$135,451.87
Lighting Technology Services, Inc.	Santa Ana, CA	\$199,940.98

ANALYSIS:

After careful consideration, evaluation of proposals and reference checks, staff has found that Hi-Tech Electric submitted the lowest, responsible and responsive bid/proposal for providing the requested services.

The contractor will be responsible for providing all labor, materials, equipment, tools and incidentals necessary for the improvements which include retrofitting and upgrading various fixtures at City Hall, Transportation Services Center, Rosewood Community Center, Bandini Community Center and Teen Center as permitted under the grant.

FISCAL IMPACT

The City secured a grant for the amount of \$74,956.00, which was the maximum allocated for the City of Commerce under the ARRA EECBG Grant, especially since due to its population size the grant program categorized the City a small city. Due to the approaching deadline on the use of these funds (June 30, 2012), the staff is recommending that City Council reallocate \$47,032.44 (\$37,032.44 + \$10,000 contingency) from the projected \$52,162.00 savings in the ADA Council Chambers Improvement Project.

As part of the FY 2010/11 Capital Improvement Project, the City Council allocated \$155,000 for the ADA Council Chambers Improvement Project as follows:

CDBG Fund	\$ 52,594.00
City General Reserves	\$102,406.00
Total Appropriation	\$155,000.00
Projected Expenditures (Design, Construction & Contingency)	(\$102,838.00)
Projected Savings	\$ 52,162.00*

*Projected savings in City General Reserves

Proceeding with the proposed lighting upgrades/retrofit will result in an annual reduction in energy consumption of 147,641 kilowatts or \$14,913.69, which means the City will recuperate it's investment of \$47,032.44 in approximately 3 years and two months (or 38 months) and thereafter realize a savings of \$14,913.69 per year.

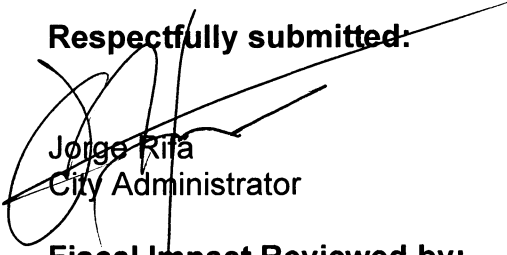
RELATIONSHIP TO 2009 STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: *"Protect and Enhance Quality of Life in the City of Commerce"*. The specific objective established is "Conduct an energy audit of three City facilities: City Hall, Aquatorium, and Transportation."

Recommended by:


 Robert Zarrilli
 Director of Community Development

Respectfully submitted:


 Jorge Rifa
 City Administrator

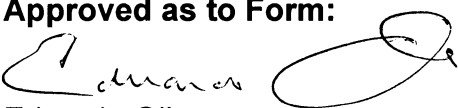
Prepared by:


 Danilo Batson
 Assistant Director of Public Services

Fiscal Impact Reviewed by:


 Vilko Domic
 Director of Finance

Approved as to Form:


 Eduardo Olivo
 City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE EXECUTION OF CASH CONTRACT NO. 1111 – ENERGY EFFICIENCY UPGRADES AT VARIOUS CITY BUILDINGS ARRA ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (CBG-09-165) IN THE CITY OF COMMERCE, WITH HI-TECH ELECTRIC OF FULLERTON, CALIFORNIA; REJECTING ALL OTHER PROPOSALS; AND OTHER MATTERS RELATED THERETO

WHEREAS, the City of Commerce recognizes that it is in the interest of the region, state, and national economy to stimulate the economy; create and retain jobs; reduce fossil fuel emissions; and reduce total energy usage and improve energy efficiency within our jurisdiction;

WHEREAS, as part of the Fiscal Year 2010/11 Capital Improvement Project Budget, the City Council appropriated \$74,956 received under the ARRA Energy Efficiency and Conservation Block Grant for lighting upgrades/retrofit at various City buildings; and

WHEREAS, on September 21, 2010, the City Council approved the execution of Grant Agreement No. CBG-09-165 with the California Energy Commission; and

WHEREAS, on September 6, 2011, the City Council approved the Request for Proposals for Energy Efficiency Upgrades at Various City Buildings, including the Notice Inviting Sealed Bids/Proposals; and

WHEREAS, on December 1, 2011, in accordance with the Notice Inviting Sealed Bids/Proposals, five (5) proposals were received and publicly opened by the City Clerk for this project; and

WHEREAS, after careful examination, evaluation of all bids received and reference checks, City staff determined that Hi-Tech Electric of Fullerton, California, is the lowest, responsive and most responsible bidder.

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

Section 1. That the proposal by Hi-Tech Electric is hereby accepted. Cash Contract No. 1111 between the City and Hi-Tech Electric is hereby approved. The Mayor is hereby authorized to execute the Contract for and behalf of the City of Commerce.

Section 2. That a contingency of \$10,000 will be set aside for said project in order to successfully carry out and implement this project.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2012.

ATTEST:

Linda Kay Olivieri, MMC
City Clerk

Joe Aguilar, Mayor

**CITY OF COMMERCE
STANDARD CONTRACT
Cash Contract No. 1111: Energy Efficiency Upgrades
Conservative Block Grant (#CBG-09-165)
IN THE CITY OF COMMERCE, CALIFORNIA**

THIS AGREEMENT is made and entered into this ____ day of _____, 2012, by and between the **CITY OF COMMERCE**, a Municipal corporation (the "CITY") and **HI-TECH ELECTRIC** ("CONTRACTOR").

RECITALS

WHEREAS, the CITY duly advertised a Notice Inviting Bids to be submitted on or before December 1, 2011, for CASH CONTRACT 1111 – Energy Efficiency Upgrades Conservative Block Grant CBG-09-165 (the "Project").

At 10:00 AM, on said date, in the Conference Room of the City of Commerce City Hall, said bids were duly opened.

WHEREAS, on February 21, 2012, the City Council accepted the bid of CONTRACTOR as the lowest responsible, responsive bid received and directed that a written contract be entered into with CONTRACTOR for the PROJECT.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein contained, the parties do hereby agree as follows:

ARTICLE I. CONTRACT DOCUMENTS.

The CONTRACT DOCUMENTS for the PROJECT shall consist of the Notice Inviting Sealed Bids, the Instructions to Bidders, Bidders Proposal, Addendums, General Specifications and all referenced documents, details, standard drawings, and appendices, together with this Contract and all required bonds, and insurance certificates. All of the "Contract Documents" are intended to complement the other documents so that any work called for in one, and not mentioned in the others, or vice versa, is to be executed the same as if mentioned in all of said documents. The CONTRACT DOCUMENTS are incorporated herein by this reference and made part hereof as though they were fully set forth herein.

ARTICLE II. THE WORK.

For and in consideration of the payments and agreements to be made and performed by CITY, CONTRACTOR agrees to furnish all materials and perform all work required for the PROJECT and to fulfill all other obligations as set forth in the CONTRACT DOCUMENTS.

ARTICLE III. COMPENSATION.

CONTRACTOR hereby agrees to receive and accept the total amount of ONE HUNDRED ELEVEN THOUSAND, NINE HUNDRED EIGHTY-EIGHT DOLLARS AND FORTY-FOUR CENTS (\$111,988.44) which is based on performing all of the work shown on Bidders Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the CONTRACT DOCUMENTS, and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work. CITY shall herein retain ten percent (10%) of said price until said time as the provisions of Article XII herein have been met.

ARTICLE IV. UNDOCUMENTED WORKERS.

CONTRACTOR hereby promises and agrees to comply with all of the provisions of Federal and/or State law as the same shall apply to this PROJECT pertaining to the employment of unauthorized aliens as defined therein. Should CONTRACTOR so employ unauthorized aliens for the performance of work and/or services covered by this Contract, and should the Federal Government impose sanctions against the CITY for use of unauthorized aliens, CONTRACTOR hereby agrees to, and shall, reimburse CITY for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the CITY in connection therewith.

ARTICLE V. NOTICE TO PROCEED.

CONTRACTOR shall commence work on the date specified in the Notice to Proceed to be issued to CONTRACTOR by the CITY and shall complete work on the PROJECT within sixty (60) calendar days from the commencement thereof.

ARTICLE VI. DISCOVERY OF HAZARDOUS OR LATENT CONDITIONS.

- A. CONTRACTOR shall, without disturbing the condition, notify CITY in writing as soon as CONTRACTOR, or any subcontractor, agent or employees have knowledge and reporting is possible, of the discovery of any of the following conditions:
1. The presence of any material that the CONTRACTOR believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code;
 2. Subsurface or latent physical conditions at the site differing from those indicated in the specifications; or,
 3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract.

- B. Pending a determination by the CITY of appropriate action to be taken, CONTRACTOR shall provide security measures (e.g., fences) adequate to prevent the hazardous waste or physical conditions from causing bodily injury to any person.
- C. CITY shall promptly investigate the reported conditions. If CITY, through the City Engineer or his/her designee, and in the exercise of its sole discretion, determines that the conditions do materially differ, or do involve hazardous waste, and will cause a decrease or increase in the CONTRACTOR's cost of or time required for performance of any part of the work, then CITY shall issue a change order.
- D. In the event of a dispute between CITY and CONTRACTOR as to whether the conditions materially differ or involve hazardous waste or cause a decrease or increase in the CONTRACTOR's cost of, or time required for performance of any part of the work, CONTRACTOR shall not be excused from any schedule completion date, and shall proceed with all work to be performed under the Contract. CONTRACTOR shall retain any and all rights which pertain to the resolution of disputes and protests between the parties.

ARTICLE VII. INDEMNIFICATION.

CONTRACTOR shall assume the defense of and indemnify and save harmless the CITY, its elective and appointive boards, officers, agents and employees, from all claims, loss, damage, injury and liability of every kind, nature and description, directly or indirectly arising from the performance of CONTRACTOR's work under this Contract; and from any and all claims, loss, damage, injury and liability, howsoever the same may be caused, resulting directly or indirectly from the nature of the work covered by the Contract; provided:

- (a) That CITY does not, and shall not, waive any rights against CONTRACTOR which it may have by reason of the aforesaid hold-harmless agreement because of the deposit with CITY by CONTRACTOR, of any of the insurance policies hereinafter described herein.
- (b) That the aforesaid hold-harmless agreement by CONTRACTOR shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations of CONTRACTOR or any subcontractor, regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

ARTICLE VIII. PERFORMANCE BOND.

CONTRACTOR, before commencing said PROJECT, shall furnish and file with CITY, a performance bond, or bonds in the sum of one hundred percent (100%) of the Contract price thereof conditioned upon the faithful performance of this Contract and upon the payment of all labor and materials furnished in connection with this Contract. Such performance bond shall be in the form of the bond attached hereto as Exhibit A.

ARTICLE IX. INSURANCE REQUIREMENTS.

Prior to commencing work hereunder, CONTRACTOR shall provide the CITY with proof of insurance naming the CITY and each of its directors, officers, agents, and employees as additional-named insureds on a policy or policies of insurance providing and maintaining the coverages set forth in the Insurance Schedule attached hereto as Exhibit B.

ARTICLE X. LIQUIDATED DAMAGES.

The parties agree that it would be impractical and extremely difficult to fix the actual damages to the CITY in the event the PROJECT is not commenced and/or completed on or before the dates specified for commencement and completion of the PROJECT in the CONTRACT DOCUMENTS. The parties have considered the facts of breach of this Contract and have agreed that the liquidated damages sum hereinafter set forth is reasonable as liquidated damages in the event of a breach, and that said sum shall be presumed to be the amount of the damages sustained by the CITY in the event of such a breach. The parties therefore agree that in the event such work is not begun and/or completed and accepted by the times so specified in the CONTRACT DOCUMENTS, the sum of Two-hundred-fifty dollars (\$250) shall be presumed to be the amount of damages suffered by the CITY for each day's delay in the starting and/or completion and acceptance of said PROJECT after the dates specified in the CONTRACT DOCUMENTS for the start and/or completion thereof, and CONTRACTOR hereby agrees to pay said sum of Two-hundred-fifty dollars (\$250) as liquidated damages for each day of delay in the starting and/or completion and acceptance of said PROJECT beyond the date specified in the CONTRACT DOCUMENTS. Any and all such liquidated damage assessed shall be done so in accordance with that certain edition of the Specification for Public Works Construction, currently in effect as of the date of this Contract. The payment of such liquidated damages is not intended as a forfeiture or penalty within the meaning of California Civil Code § 3275 or § 3369.

ARTICLE XI. COMPLIANCE WITH APPLICABLE LAWS.

CONTRACTOR hereby promises and agrees to comply with all of the provisions of all applicable state and federal laws in connection with the performance of its obligations under this Contract.

ARTICLE XII. NOTICE OF COMPLETION.

Upon completion of the PROJECT and acceptance of same by the City Council, the CITY Administrator shall have cause to be recorded a Notice of Completion with the office of the Los Angeles County Recorder; and, after thirty-five (35) days from the date said Notice of Completion is recorded, the Director of Finance of CITY shall release the funds retained pursuant to Article III hereof; provided there have been no mechanics' liens or stop notices filed against said work which have not been paid, withdrawn or eliminated as liens against said work.

ARTICLE XIII. NON-ASSIGNABILITY.

This Contract shall not be assignable, either in whole or in part, by the CONTRACTOR.

ARTICLE XIV. CUMULATIVE REMEDIES.

The provisions of this Contract are cumulative and in addition to and not in limitation of any rights or remedies available to CITY.

ARTICLE XV. ATTORNEY'S FEES.

If either party to this Contract is required to initiate or defend, or is made a party to, any action or proceeding in any way connected with this agreement, the party prevailing in the final judgment in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorney's fees and costs. Attorney's fees shall include reasonable costs for investigating such action.

IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed on the date first above written by their respective officers duly authorized in that behalf.

CITY OF COMMERCE

HI-TECH ELECTRIC (CONTRACTOR)

By: _____
Joe Aguilar, Mayor

By:  _____
IONEL CHITULEANU, OWNER

ATTEST:

APPROVED AS TO FORM:

By: _____
Linda Olivieri, MMC
City Clerk

By: _____
Eduardo Olivo,
City Attorney

EXHIBIT A
FAITHFUL PERFORMANCE BOND
FOR
Cash Contract No. 1111: Energy Efficiency Upgrades
Conservative Block Grant (#CBG-09-165)
IN THE CITY OF COMMERCE, CALIFORNIA

KNOW ALL MEN BY THESE PRESENTS that _____,
as CONTRACTOR and _____, as
SURETY, are held and firmly bound unto the City of Commerce, in the penal sum of _____
dollars (\$ _____),
which is one-hundred percent (100%) of the total contract amount for the above stated project,
for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and
severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has
been awarded and is about to enter into a Contract with the City of Commerce for the above
stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the
contract documents in the manner and time specified therein, then this obligation shall be null
and void, otherwise it shall remain in full force and effect in favor of the City of Commerce;
provided that any alternations in the obligations or time for completion made pursuant to the
terms of the contract documents shall not in any way release either CONTRACTOR or
SURETY, and notice of such alternations are hereby waived by SURETY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seal this

_____ day of _____, 20_____.

CONTRACTOR* _____

SURETY* _____

*Provide CONTRACTOR/SURETY name, address and telephone number and the name, title,
address and telephone number for authorized representative.

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC _____

EXHIBIT A

MATERIAL AND LABOR BOND
FOR
Cash Contract No. 1111: Energy Efficiency Upgrades
Conservative Block Grant (#CBG-09-165)
IN THE CITY OF COMMERCE, CALIFORNIA

KNOW ALL MEN BY THESE PRESENTS that _____,
as CONTRACTOR and _____, as
SURETY, are held and firmly bound unto the City of Commerce, in the penal sum of _____
dollars (\$ _____),
which is one-hundred percent (100%) of the total contract amount for the above stated project,
for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and
severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has
been awarded and is about to enter into a Contract with the City of Commerce for the above
stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the
contract documents in the manner and time specified therein, then this obligation shall be null
and void, otherwise it shall remain in full force and effect in favor of the City of Commerce;
provided that any alternations in the obligations or time for completion made pursuant to the
terms of the contract documents shall not in any way release either CONTRACTOR or
SURETY, and notice of such alternations are hereby waived by SURETY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seal this

_____ day of _____, 20_____.

CONTRACTOR* _____

SURETY* _____

*Provide CONTRACTOR/SURETY name, address and telephone number and the name, title,
address and telephone number for authorized representative.

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC _____

EXHIBIT B INSURANCE REQUIREMENTS

On or before beginning any of the work called for by any term of this Contract, CONTRACTOR, at its own cost and expense, shall carry, maintain for the duration of this Contract, and provide proof thereof that is acceptable to CITY of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to CITY. Such insurance shall not be in derogation of CONTRACTOR's obligations to provide indemnity under this Contract.

1. Comprehensive General Liability and Automobile Liability Insurance Coverage.

CONTRACTOR shall carry and maintain Comprehensive General Liability and Automobile Liability Insurance which provides the following:

Minimum coverage: Bodily injury limits of \$1,000,000 for each person and \$2,000,000 for each occurrence; property damage limits of \$1,000,000 for each occurrence, \$2,000,000 aggregate.

If a Commercial General Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Contract or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Contract, including the use of owned and non-owned real property and automobiles. Insurance coverage shall not be subject to any type of pollution exclusion or owned property exclusions.

2. Errors and Omissions Insurance Coverage.

CONTRACTOR shall carry and maintain Errors and Omissions Coverage Insurance which provides a minimum coverage of at least \$1,000,000 for each occurrence, \$2,000,000 aggregate, triggered by manifestation of injury.

3. Worker's Compensation.

CONTRACTOR shall carry and maintain worker's compensation as required by the California Labor Code for all persons employed directly or indirectly in connection with this Contract by CONTRACTOR. To the extent that CONTRACTOR utilizes any subcontractor for the performance of any part of the work under this Contract, CONTRACTOR shall require and assure that such subcontractor also carry and maintain worker's compensation as required by the California Labor Code for all persons employed directly or indirectly in connection with this Contract.

4. Additional Insureds.

The CITY, its officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Contract. An endorsement to this effect shall be delivered to CITY prior to the commencement of any work. Satisfaction of any deductible requirement shall be the responsibility of CONTRACTOR. Such insurance shall be primary and noncontributory with any other insurance maintained by the CITY.

5. Cancellation Clause.

Each of the policies of insurance shall contain a clause substantially as follows:

It is hereby understood and agreed that this policy may not be canceled nor the amount of the coverage thereof be reduced until 30 days after receipt by the City Administrator of the written notice of such cancellation or reduction of coverage, as evidenced by receipt of a certified letter.

6. Severability Clause.

Each of the policies of insurance shall contain a clause substantially as follows:

The insurance afforded by this policy applies separately to each insured against whom a claim or suit is made or suit is brought, except with respect to the limit of the insurer's liability.

7. Qualifications of Insurer.

All policies of insurance shall be issued by an insurance company acceptable to CITY and authorized to issue said policy in the State of California.

8. Approval of Insurer.

The insurance carrier providing the insurance shall be chosen by CONTRACTOR subject to approval by CITY, provided that such approval shall not be unreasonably withheld.

9. Payment of Premiums.

All premiums on insurance policies shall be paid by CONTRACTOR making payment, when due, directly to the insurance carrier, or in a manner agreed to by CITY.

10. Evidence of Insurance and Claims.

CITY shall have the right to hold the policies and policy renewals, and CONTRACTOR shall promptly furnish to CITY all renewal notices and all receipts of paid premiums. In CITY may make proof of loss if not made promptly by CONTRACTOR.



AGENDA REPORT

DATE: February 21, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING A PURCHASE AND SALE AGREEMENT WITH THE VONS COMPANIES, INC. FOR THE CITY'S EASEMENT INTEREST OVER A PORTION OF BOXFORD AVENUE NORTH OF SLAUSON AVENUE AND JOINT ESCROW INSTRUCTIONS

RECOMMENDATION:

Approve and adopt the Resolution and assign the number next in order.

MOTION:

Approve the recommendation.

ANALYSIS:

The Vons Companies, Inc. ("Vons") has a food manufacturing and processing plant in the City of Commerce (the "City") located at 3415 Boxford with frontage along Slauson Avenue. The Vons site is approximately 19 acres and is bisected by Boxford Avenue (Vons owns all the land on both sides of the street and their facility resides on both sides of Boxford). Vons has prepared a master plan for their facility identifying various improvements to the property i.e. parking and circulation and on site storage which will improve the overall operation and functionality of their use. In addition, Vons is contemplating a possible future expansion of production lines.

Vons offered to purchase the City's ownership interest in Boxford Avenue. Vons originally believed that the City's ownership interest in the street was in fee. The parties originally proceeded under that assumption.

In order for the City to be able to sell its interest in Boxford, the City would have to vacate and relinquish Boxford Avenue (all of which lies within Vons site), which in turn will add land area to Vons site and accommodate their master plan improvements. The subject property is that portion of Boxford Avenue north of Slauson Avenue consisting of approximately 71,718 square feet of land (1.6 acres) paved and improved as a street (see attached map) (the "Property"). All public utilities located in the area proposed for the vacation and purchase and sale will remain in place including any and all easements reserving said rights for the utilities.

The City determined that it was able to proceed with the vacation of the street. Therefore, on August 1, 2011, the City Council approved a Purchase and Sale Agreement with Vons for the sale of its fee interest in the Property. On August 31, 2011, the parties entered into a First Amendment to the Purchase and Sale Agreement, which extended the feasibility period until October 31, 2011. The City Council approved and ratified the Mayor's signature on the First Amendment on October 4, 2012.

The parties subsequently discovered that the City's ownership interest was not in fee, but was in fact an easement. The parties were therefore unable to close escrow. Instead, the parties agreed to seek a new appraisal to properly reflect the value of the

City's easement interest. The parties have now agreed upon the value and have agreed that a new Purchase and Sale Agreement is appropriate.

Pursuant to the proposed Purchase and Sale Agreement, the City is agreeing to relinquish its easement interest in the Property for Six Hundred Thousand Dollars (\$600,000); Eight Dollars and Thirty Seven Cents (\$8.37) per square foot. Staff believes that the price represents a fair value for the easement.

PLANNING COMMISSION FINDING:

Pursuant to Government Code §§ 37350 and 37351, the City may dispose of property if the disposition is for the common benefit of the City's citizens. Pursuant to Government Code § 65402, the Planning Commission must prepare a report that indicates the disposition of real property and/or the vacation of any street conforms to the General Plan.

On May 25, 2011, the Planning Commission adopted a Resolution making a determination that the vacation of a portion of Boxford Avenue conforms to the City of Commerce General Plan as required by State Government Code § 65402. In this case, the findings made for the vacation are also applicable to the easement disposition and therefore no additional findings need be made.

CALIFORNIA ENVIRONMENTAL QUALITY ACT REVIEW:

The Purchase and Sale Agreement, including all related terms and conditions contained therein, will not have a significant impact on the environment because the project is located in an area where there are adequate public services and facilities. Furthermore the Agreement is categorically exempt pursuant to CEQA Guidelines § 15301, Class 1 Minor Alterations of Existing Facilities.

FISCAL IMPACT:

The Purchase and Sale Agreement and related terms and conditions will be the instrument to allow Vons to purchase the easement of the vacated street from the City. Vons is paying fair market value (Six Hundred Thousand Dollars (\$600,000)) for the easement.

RELATIONSHIP TO 2009 STRATEGIC GOALS

This agenda item report is in furtherance of Goal #1- *Maintain and Diversify Local Economy*. The proposed Purchase and Sale Agreement will help to retain an existing long-established Commerce business as it will add land area to their site and allow them to improve overall site layout and function thereby improving their operational efficiencies.

Reviewed by:



Robert Zarrilli
Director of Community Development

Respectfully submitted,



Jorge J. Rifa
City Administrator

Reviewed as to form:



Eduardo Olivo
City Attorney

Fiscal impact reviewed by:



Vilko Domic
Director of Finance

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA,
APPROVING A PURCHASE AND SALE AGREEMENT FOR THE CITY'S EASEMENT
OVER A PORTION OF BOXFORD AVENUE NORTH OF SLAUSON AVENUE AND
JOINT ESCROW INSTRUCTIONS WITH THE VONS COMPANIES, INC.

WHEREAS, the Vons Companies, Inc. ("Vons") has a food manufacturing and processing plant in the City of Commerce (the "City") located at 3415 Boxford with frontage along Slauson Avenue; and

WHEREAS, the Vons site is approximately 19 acres and is bisected by Boxford Avenue (Vons owns all the land on both sides of the street and their facility resides on both sides of Boxford); and

WHEREAS, Vons has prepared a master plan for their facility identifying various improvements to the property i.e. parking and circulation and on site storage which will improve the overall operation and functionality of their use. Vons is contemplating a possible future expansion of production lines; and

WHEREAS, Vons requested the opportunity to purchase the City's ownership interest in Boxford Avenue; and

WHEREAS, in order for the City to be able to sell its interest in Boxford, the City would have to vacate and relinquish Boxford Avenue (all of which lies within Vons site), which in turn will add land area to Vons site and accommodate their master plan improvements; and

WHEREAS, the parties believed that the City's ownership interest in Boxford was in fee. Therefore, on August 1, 2011, the City Council approved a Purchase and Sale Agreement with Vons for the sale of its fee interest in the Property; and

WHEREAS, on August 16, 2011, after conducting a duly noticed public hearing, the City adopted Resolution No. 11-65, which made the findings necessary to vacate the subject portion of Boxford Avenue. The Resolution provided that it would not become effective until the recording of the Resolution with County of Los Angeles County Recorder's Office. The Resolution has not been recorded as of this date; and

WHEREAS, on August 31, 2011, the parties entered into a First Amendment to the Purchase and Sale Agreement, which extended the feasibility period until October 31, 2011; and

WHEREAS, the parties subsequently discovered that the City's ownership interest was not in fee, but was an easement. The parties were therefore unable to close escrow. Instead, the parties agreed to seek a new appraisal to properly reflect the value of the City's easement interest. The parties have now agreed upon the value of the easement and have agreed that a new Purchase and Sale Agreement is appropriate; and

WHEREAS, pursuant to the proposed Purchase and Sale Agreement, the City is agreeing to relinquish its easement interest in the Property for Six Hundred Thousand Dollars (\$600,000); and

WHEREAS, the Purchase and Sale Agreement, including all related terms and conditions contained therein, will not have a significant impact on the environment because the project is located in an area where there are adequate public services and facilities. Furthermore the Agreement is categorically exempt pursuant to *CEQA Guidelines* § 15301, Class 1 Minor Alterations of Existing Facilities.

NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE AND DETERMINES AS FOLLOWS:

SECTION 1. The Council hereby finds and determines that the sale and disposition of the City's easement interest in Boxford Avenue will help to retain an existing long-established Commerce business as it will add land area to their site and allow them to improve their overall site layout and function thereby improving operational efficiencies.

SECTION 2. The Purchase and Sale Agreement with Escrow Instructions, between the City of Commerce and Vons Companies Inc., is hereby approved. The Mayor is hereby authorized and directed to execute the Agreement and all documents necessary to implement the terms of the Agreement for an on behalf of the City of Commerce.

PASSED, APPROVED AND ADOPTED this 7th day of February, 2012.

Joe Aguilar
Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk



AGENDA REPORT

Meeting Date: 02/21/2012

TO: Honorable City Council

FROM: City Administrator

SUBJECT: PUBLIC HEARING – ABATEMENT OF NOXIOUS OR DANGEROUS WEEDS – HEARING OF PROTESTS

RECOMMENDATION:

- 1) Conduct public hearing.
 - A. **Declare the public hearing open.**
 - B. **Now is the time for anyone wishing to speak on the subject to please step forward.**
 - C. **Declare the public hearing closed.**
- 2) Approve the Abatement Order directing the Los Angeles County Agricultural Commissioner/Director of Weights and Measures to abate the seasonal and recurrent public nuisance declared under Resolution No. 12-12 by having the weeds, brush, rubbish, and refuse removed from specified properties.

MOTION:

Following the public hearing, move to approve the Abatement Order as indicated under Item 2 of the recommendation.

BACKGROUND:

The City Council declared, by approving Resolution No. 12-12 on February 7, 2012, that weeds, brush, rubbish and refuse upon or in front of specified properties in the City are a seasonal and recurrent public nuisance and further declared its intention to provide for the abatement of said nuisance.

ANALYSIS:

This public hearing is held annually to allow those property owners affected by the Los Angeles County Agricultural Commissioner/Director of Weights and Measures' weed abatement program to protest the inclusion of their properties within the program.

The Agricultural Commissioner/Director of Weights and Measures has notified by mail each of the property owners affected by the program.

A representative from the Agricultural Commissioner/Director of Weights and Measures' Office will be present to answer any questions.

FISCAL IMPACT:

This activity can be carried out without additional impact on the current operating budget.

RELATIONSHIP TO 2009 STRATEGIC GOALS:

This activity is an annual program carried out by the County of Los Angeles on behalf of the City and is consistent with the 2009 strategic planning goal *“Protect and Enhance Quality of Life in the City of Commerce”* in that its intent is to keep the City free of seasonal and recurrent public nuisances.

Respectfully submitted,



Jorge J. Rifa
City Administrator

Recommended by:




Linda Kay Olivieri
City Clerk

Fiscal impact reviewed by:



Vilko Domic
Director of Finance

Approved as to form



Eduardo Olivo
City Attorney

RESOLUTION NO. 12-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE DECLARING THAT WEEDS, BRUSH, RUBBISH AND REFUSE UPON OR IN FRONT OF SPECIFIED PROPERTY IN THE CITY ARE A SEASONAL AND RECURRENT PUBLIC NUISANCE, AND DECLARING ITS INTENTION TO PROVIDE FOR THE ABATEMENT THEREOF.

THE CITY COUNCIL OF THE CITY OF COMMERCE DOES RESOLVE AS FOLLOWS:

BE IT RESOLVED THAT, pursuant to the provisions of Title 4, Division 3, Part 2, Chapter 13, Article 2, of the California Government Code, Sections 39560 to 39588, inclusive, and evidence received by it, the City Council of the City of Commerce specifically finds:

SECTION 1. That the weeds, brush or rubbish growing or existing upon the streets, sidewalks, or private property in the city attain such large growth as to become, when dry, a fire menace to adjacent improved property, or which are otherwise noxious, dangerous, or a public nuisance.

SECTION 2. That the presence of dry grass, stubble, refuse, or other flammable materials are conditions which endanger the public safety by creating a fire hazard.

SECTION 3. That by reason of the foregoing fact, the weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material growing or existing upon the private property hereinafter described, and upon the streets and sidewalks in front of said property constitute a seasonal and recurrent public nuisance and should be abated as such.

SECTION 4. That the private property, together with the streets and sidewalks in front of same herein referred to, is more particularly described as follows, to wit: That certain property described in the attached list hereto and by this reference made a part hereof as though set forth in full at this point.

BE IT THEREFORE RESOLVED, pursuant to the findings of fact, by this Council heretofore made, that the weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material in and upon and in front of the real property hereinbefore described constitute and are hereby declared to be a seasonal and recurrent public nuisance which should be abated. The Agricultural Commissioner/Director of Weights and Measures, County of Los Angeles, is hereby designated the person to give notice to destroy said weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material and shall cause notices to be given to each property owner by United States Mail and said notice shall be substantially in the following form to wit.

NOTICE TO DESTROY WEEDS,

REMOVE BRUSH, RUBBISH AND REFUSE

Notice is hereby given that on February 7, 2012, the City Council of the City of Commerce passed or will pass a resolution declaring noxious or dangerous vegetation including weeds, brush, tumbleweeds, sagebrush, and chaparral or rubbish and refuse were growing or occurring upon or in front of said property on certain streets in said city or unincorporated area of the County of Los Angeles, and more particularly described in the resolution, and that they constitute a public nuisance which must be abated by the removal of said noxious or dangerous vegetation, rubbish and refuse. The resolution further declares that, if not abated, the vegetation and/or rubbish and refuse may be removed and the nuisance abated by County authorities in which case the cost of removal shall be assessed upon the land from or in front of which the noxious or dangerous vegetation, rubbish and refuse are removed. Such cost will constitute a special assessment against such lots or lands. Reference is hereby made to said resolution for further particulars. In addition, the Board of Supervisors of the County of Los Angeles authorized and directed the Agricultural Commissioner to recover its costs of details. All property owners having any objections to the proposed removal of noxious or dangerous vegetation, rubbish and refuse and the recovery of inspection costs, are hereby notified that they may attend a hearing of the City Council of said city to be held at 5655 Jillson Street, Commerce, CA 90040, in the Council Chambers on February 21, 2012 at 6:30 p.m. where their objections will be heard and given due consideration. If the property owner does not want to present objections to the proposed removal of the noxious or dangerous vegetation including weeds, brush, tumbleweeds, sagebrush, and chaparral or rubbish and refuse, or the recovery of inspection costs, the owner need not appear at the above mentioned hearing.

City Clerk of the City of Commerce

BE IT THEREFORE RESOLVED, that the Agricultural Commissioner is hereby authorized and directed to recover its costs of inspection of the properties hereinabove described in a manner consistent with prior action of the Board adopting a fee schedule for such inspections. The recovery of these costs is vital to the ongoing operation governing the identification and abatement of those properties that constitute a seasonal and recurrent public nuisance and endanger the public safety.

BE IT FURTHER RESOLVED THAT the 21st day of February, 2012, at the hour of 6:30 p.m. of said day is the day and hour, and the Meeting Room of the City Council of the City of Commerce in the City Hall in the City of Commerce is fixed by this City Council as the place when and where any and all property owners having any objections to the aforesaid proposed removal of weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material may appear before the City Council and show cause why said weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material should not be removed in accordance with this resolution, and said objections will then and there be heard and given due consideration; and

BE IT RESOLVED THAT the notices to destroy weeds, brush, rubbish, dry grass, stubble, refuse or other flammable material hereinbefore referred to shall be mailed by said Agricultural Commissioner/Director of Weights and Measures at least ten days prior to February 21, 2012.

PASSED AND ADOPTED this 7th day of February, 2012



MAYOR OF THE CITY OF COMMERCE

ATTEST:

BY 

CITY CLERK OF THE CITY OF COMMERCE

STATE OF CALIFORNIA)
)
) SS
)
COUNTY OF LOS ANGELES)

RAYMOND B. SMITH, DEPUTY DIRECTOR, BUREAU CHIEF, AGRICULTURAL COMMISSIONER/WEIGHTS AND MEASURES, being first duly sworn says: That on or before the 1st day of February 2012, as required by the Government Code of the State of California, he notified by United States Mail the owners of each of the properties described in the attached list a notice or notices to destroy noxious or dangerous weeds, of which the annexed is a true copy, and setting the 21st day of February, 2012, as the date upon which owners of said property could attend a meeting of the Council of the City of Commerce, when their objections will be heard and given due consideration.



Raymond B. Smith
Deputy Director, Bureau Chief

SUBSCRIBED AND SWORN TO BEFORE ME

This 1st day of February, 2012



Linda Kay Olivieri
City Clerk

LOS ANGELES COUNTY DECLARATION LIST DATE: 01/10/12
CITY OF COMMERCE
 IN SEQ BY WEED-KEY, THEN PARCEL UNIMPROVED

ZONE	CITY CODE	LOCATION	PARCEL	KEY
04	143	1362 S EASTERN AVE	5241 013 016	4
04	143	1368 S EASTERN AVE	5241 013 017	4
04	143	TRIGGS ROAD	5241 013 018	4
04	143	1350 S EASTERN AVE	5241 013 019	4
- 04	143	2336 BEDESSEN AVE	5243 027 024	4
04	143	DUNCAN Ave	5244 002 031	4
04	143	DUNCAN Ave	5244 002 032	4
- 04	143	DUNCAN AVE	5244 002 033	4
04	143	1411 S MCBRIDE AVE	5244 002 034	4
04	143	5200 TRIGGS ST	5244 006 010	4
04	143	GAGE AVE	6330 001 802	4
04	143	E 26TH Street	6332 006 004	4
04	143	5706 E WASHINGTON BLVD	6334 004 022	4
04	143	STRONG AVE	6335 014 805	4
04	143	STRONG AVE	6335 014 806	4
04	143	5533 E WASHINGTON BLVD	6335 019 043	4
04	143	5519 E WASHINGTON BLVD	6335 019 046	4
04	143	5556 E WASHINGTON BLVD	6335 024 051	4
04	143	GARFIELD AVE	6336 001 803	4
04	143	GARFIELD AVE	6336 001 811	4
04	143	GARFIELD AVE	6336 001 812	4
04	143	WASHINGTON BLVD	6336 011 801	4
04	143	WASHINGTON BLVD	6336 013 804	4
04	143	GARFIELD AVE	6336 014 009	4
04	143	FLOTILLA ST	6336 014 800	4
- 04	143	2000 S TUBE WAY	6336 016 021	4
04	143	TUBEWAY AVE	6336 020 806	4
04	143	GERHART AVE	6339 002 012	4
04	143	GARFIELD AVE	6356 013 803	4
04	143	WASHINGTON BLVD	6356 013 804	4
04	143	GARFIELD AVE	6356 013 805	4
04	143	GREENWOOD AVE	6356 013 806	4
04	143	NEENAH Street	6356 013 807	4
04	143	GAGE AVE	6356 013 809	4
- 04	143	6920 E SLAUSON AVE UNIT 22	6356 017 021	4
04	143	6904 E SLAUSON AVE	6356 017 028	4
04	143	GARFIELD AVE	6356 018 800	4
04	143	GARFIELD AVE	6356 018 801	4
04	143	GARFIELD AVE	6356 018 804	4
04	143	7165 E GAGE AVE	6357 016 003	4

LOS ANGELES COUNTY DECLARATION LIST DATE: 01/10/12
CITY OF COMMERCE
 IN SEQ BY WEED-KEY, THEN PARCEL UNIMPROVED

ZONE	CITY CODE	LOCATION	PARCEL	KEY
04	143	GAGE AVE	6357 016 025	4
04	143	7155 E GAGE AVE	6357 016 026	4
04	143	7169 E GAGE AVE	6357 016 028	4
04	143	TELEGRAPH RD	6367 034 804	4
TOTAL VACANT/IMPROVED RECORDS				4
TOTAL UNIMPROVED RECORDS				40
TOTAL RECORDS				44

ABATEMENT ORDER _____

February 21, 2012

FOLLOWING THE PUBLIC HEARING HELD FEBRUARY 21, 2012, IN THE MATTER OF RESOLUTION TO ABATE NOXIOUS WEEDS, RUBBISH, AND REFUSE, THE CITY COUNCIL OF THE CITY OF COMMERCE, BY MOTION ADOPTED AN ORDER DIRECTING THE AGRICULTURAL COMMISSIONER/DIRECTOR OF WEIGHTS AND MEASURES TO ABATE THE NUISANCE BY HAVING THE WEEDS, RUBBISH, AND REFUSE REMOVED.

CITY COUNCIL OF THE
CITY OF COMMERCE

BY _____
MAYOR

ATTEST:

BY _____
CITY CLERK



AGENDA REPORT

Meeting Date: 02/21/2012

TO: Honorable City Council

FROM: City Administrator

SUBJECT: ACCEPTANCE OF RESIGNATION OF CITY COUNCIL SEAT BY ROBERT C. FIERRO AND COUNCIL VACANCY OPTIONS

RECOMMENDATION:

None.

MOTION:

Council discretion.

BACKGROUND:

On February 7, 2012, Councilmember Robert C. Fierro advised the City Council that he had reached an agreement with the government in the matter of USA v. Fierro, et al. Mr. Fierro advised that his case would officially conclude on April 23, 2012, and that he planned to resign from his position on the City Council prior to that date. On February 14, 2012, Mr. Fierro advised the City, in writing, that he had decided to accelerate his intended resignation date and that he was officially resigning effective February 14, 2012.

The City Council has appointed Mr. Fierro to represent the City on several outside committees and/or boards. Mr. Fierro has also appointed Commissioners and Committee members to various City Commissions and Committees. Mr. Fierro's resignation will impact these positions.

ANALYSIS:

The City Council must consider the following actions and/or options as a result of Mr. Fierro's resignation:

1) Acceptance of Resignation

The City Council should formally accept Mr. Fierro's resignation from the City Council, effective February 14, 2012.

2) Options for Addressing the Vacancy on the City Council

Government Code Section 36512(b) provides that:

"If a vacancy occurs in an elective office provided for in this chapter, the council shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. The special election shall be held on the next regularly established election date not less than 114 days from the call of the special election. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent."

Pursuant to *Government Code* Section 36512(b), the City Council has 60 days from the commencement of the vacancy, up to and including April 14, 2012, to either make an appointment to fill the vacancy for the unexpired term or to call for a special election for the vacant seat. Mr. Fierro's term was scheduled to expire with the March 5, 2013, General Municipal Election.

The City Council has two options:

- (a) appoint a qualified person to fill the vacancy for the remainder of the unexpired term; or
- (b) call for a Special Municipal Election. Pursuant to *Government Code* Section 36512(b), a special election may not be conducted until November 6, 2012. The election would be consolidated with the Statewide General Election.

3) Options for Addressing the Outside Committee and/or Board Positions Previously Held by Mr. Fierro

The City Council has appointed Mr. Fierro to represent the City on the following outside committees and/or boards:

California Joint Powers Insurance Authority (JPIA)	Delegate
Gateway Cities Council of Governments (GCCOG)	Alternate
I-710 EIR/EIS Project Committee	Alternate
League of California Cities	Alternate
Southeast Water Coalition Joint Powers Authority	Delegate
Southern California Association of Governments (SCAG)	Alternate

The City Council has the following options with respect to the positions previously held by Mr. Fierro:

- (a) take action to replace Mr. Fierro with another current Councilmember; or
- (b) take no action and leave such positions vacant until they are filled on April 2, 2012, when the City Council is scheduled to conduct its annual appointment of delegates and alternates.

4) Options for Addressing the Appointments Made by Mr. Fierro to Various City Commissions and Committees

Resolution No. 11-2, approved and adopted by the City Council on January 4, 2011, amended Section 4 of Resolution No. 97-15, relating to appointment to and membership in Commissions, Committees and Boards, provides that:

“The terms of office of each appointee of an individual Councilmember or full Council shall be for a period not to exceed two years, expiring at the next General Municipal Election, but shall continue until the appointment and qualification of their respective successors. However, if any City Councilmember should resign, vacate or forfeit his or her Council seat before the expiration of the term of that office, that City Council member's appointees *shall be removed, replaced or confirmed, at the discretion of the remaining members of the City Council.*” [Emphasis added.]

Mr. Fierro has made the following Commission/Committee appointments:

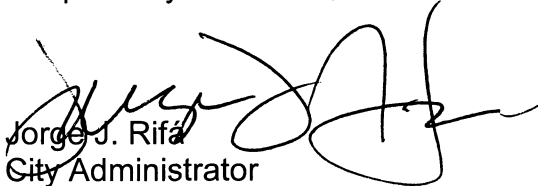
Community Services Commission	Steve Equihua, Sr.
Education Commission	Ana Perez
Library Commission	Lettie Jaramillo
Parks & Recreation Commission	Vacant
Planning Commission	Artemio Navarro
Senior Citizens Commission	Manuel Larios
Traffic Commission	Camilo Cadenas
Youth Advisory Commission	Alyssa Matas
Beautification Committee	Ron Perez
Housing Committee	Chris Griego
Pageant Steering Committee	Lorena Griego
I-710 Local Advisory Committee	Ed Miles
Environmental Justice Advisory Task Force	Sandra Jimenez

The City Council may remove, replace or confirm some or all of Mr. Fierro's appointees to the City's Commissions and Committees.

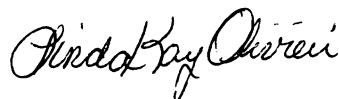
FISCAL IMPACT:

At the present time, there will be no budget impact as a result of any of the items discussed above. However, it should be noted that, should the City Council opt to call for a Special Municipal Election, there will be costs associated with the conduct of that election in the 2012-2013 fiscal year, commencing with the publication of legal notices in July 2012 through the swearing in of a newly elected Councilmember in December 2012. At this time, it is estimated that these costs will be between \$25,000 and \$30,000.

Respectfully submitted,

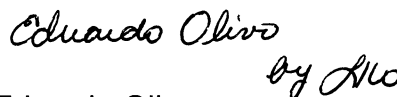

Jorge J. Rifa
City Administrator

Reviewed by:



Linda Kay Olivieri
City Clerk

Reviewed as to form:


Eduardo Olivo
by ALO

Eduardo Olivo
City Attorney

Reviewed by:


Vilko Domic
Director of Finance



AGENDA REPORT

DATE: February 21, 2012

TO: HONORABLE CITY COUNCIL/SUCCESSOR AGENCY

FROM: CITY ADMINISTRATOR

SUBJECT: REVIEW OF THE CITY'S FINANCIAL STATUS AS OF DECEMBER 31, 2011, + APPROVAL OF ADJUSTMENTS TO THE FISCAL YEAR BUDGET

RECOMMENDATION:

Take the appropriate action(s) with respect to the mid-year review of the approved Fiscal Year 2011-12 Budget.

MOTION:

Move to approve the recommendation.

PURPOSE:

The purpose of this report is to provide the City Council with a review of the City's financial status as of December 31, 2011, and to request Council approval of mid-year adjustments to the Fiscal Year (FY) 2011-12 approved Budget. The report will also provide relevant detail as it pertains to the development of the City's FY 2012-13 Budget.

Moreover, this report is intended to provide the City Council with an accurate as possible picture of how all City Funds are operating six months into the fiscal year based on the original revenue and expenditure estimates. Although it is the intent of this report to review the status of all Funds, the focus is primarily on the General Fund. The middle of the fiscal year is also a good time to consider whether expenditures, outside the realm of the original approved budget, have surfaced which would potentially jeopardize the current budget authority and thus, require Council action of appropriate budgetary adjustments.

BACKGROUND/ANALYSIS:

Halfway into each fiscal year the Finance Department asks each department to review their existing budgetary appropriations to determine whether any changes need to be made as a result of unanticipated costs that may have occurred thus far during the fiscal year. As a result of that review conducted during the past several weeks, it was determined that although most departments are able to absorb the majority of unanticipated costs through budgetary savings in other areas, there are some expenditures that will cause several departments to be in jeopardy of overspending their budgets, by year-end.

GENERAL FUND'S FINANCIAL STATUS:

Fiscal Year 2010-11 ended off on a positive note for the City's General Fund, a surplus of approximately \$25,000. In addition, the second installment (or \$500,000) of the Budget stabilization fund that was in play last fiscal year, was not utilized to address the projected shortfall when the Council adopted the budget. This good news, as will be highlighted later in the report, assists in bridging the projected year-end deficit of \$1.5 million, resulting from the closing down of the Community Development Commission (effective February 1, 2012).

Sadly, another severe and terrible budget cycle is ahead of the City in FY 2012/2013. It threatens to set back three years of painstaking budget decisions made by the City Council to move forward and recover from the "Great "Recession".

The reason for this is the decision of the Governor and Legislature to bring to an end the California Redevelopment Law in order to try and correct the State's multibillion dollar deficit. In so doing the State has laid to waste the City's primary economic engine for jobs, housing, infrastructure investment, environmental remediation, and revenues to the City's General Fund.

On January 24, 2012 Commerce held its last official meeting of its redevelopment agency (Commerce Community Development Commission in this case). On February 1, the City began operating as the Successor Agency. The Successor Agency's job is to primarily carry out and finish the projects that are in the pipeline and also dispose of the assets of the City's now defunct redevelopment program.

More than 400 California redevelopment agencies were officially shuttered on February 1, leaving a trail of uncertainty – and a potentially staggering debt load.

Across the state, cities and counties have loaned more than \$4 billion to their redevelopment agencies over the past few decades, but according to the law governing how agencies will be dissolved, they may not be able to recover that money.

Until the Department of Finance reviews each agency's plan to pay off existing debts and obligations in late April, it is unclear how much of the money will be returned to cities and counties. In our case, the city stands to lose \$17.8 million in loans that transpired between the City and the Commission.

The immediate concerns are the potential impacts that the demise of redevelopment will have on the City's current and future operating budgets beginning in FY 2012/2013. Approximately \$2.0 million in personnel costs and \$600,000 in indirect costs are associated with the administration of Commerce redevelopment. These expenditures were funded through tax increment (and are no longer available).

DISCUSSION / ANALYSIS:

The General Fund When We Began the Year

Adopted Revenues	\$ 47,213,386
Adopted Appropriations	<u>\$ 47,808,189</u>
Projected Year End Surplus / (Deficit)	\$(594,803)
Budget Stabilization Fund (Allocation #3)	\$ 500,000
Additional Reserves	\$ 94,803
Projected Year End Surplus / (Deficit)	\$ 0

The General Fund through 6 Months

General Fund Revenues Perspective

	FY 10-11 Actuals	FY 11-12 Actuals	Variance
Taxes	4,665,759	5,790,151	1,124,392
Licenses/Permits	1,515,151	1,193,539	(321,612)
Fines & Penalties	201,246	156,217	(45,029)
Use of Money	630,683	516,939	(113,744)
Other Agencies	235,419	219,525	(15,894)
Current Charge	459,376	447,983	(11,755)
Activities Fees	241,990	261,390	19,400
Other Revenue	666,288	562,232	(104,056)
Transfers In	<u>9,767,520</u>	<u>10,084,998</u>	<u>317,478</u>
TOTAL	18,383,794	19,232,974	849,180

General Fund Appropriations Perspective

	FY 10-11 Actuals	FY 11-12 Actuals	Variance
City Council	64,846	72,512	7,666
Administration	219,837	235,770	15,933
City Clerk	81,681	96,554	14,873
Legal Services	124,577	122,291	(2,286)
Human Resources	478,144	461,040	(17,104)
PIO/Graphics	281,533	299,411	17,878
Finance	733,483	705,238	(28,245)
Community Dev	544,657	490,071	(54,586)
CDD-Public Svcs	1,956,564	1,803,942	(152,622)
Community Services	6,730,274	7,514,986	783,821
Library Services	1,337,885	1,409,233	71,348
Parks & Recreation	4,167,158	4,042,223	(124,935)
Non-Departmental	<u>5,266,005</u>	<u>5,403,218</u>	<u>137,213</u>
TOTAL	21,986,644	22,534,489	668,954

What Does This All Mean? – That our actuals thru 6 months indicate that the General Fund should finish the year in a balanced position, maybe realizing a slight surplus. If this comes to fruition, it may not be necessary to utilize the third installment of the Budget Stabilization Fund to help balance this year's budget. That's where the good news ends!

The General Fund – What has transpired since December 31, 2011

Simply, redevelopment as we have known it for decades was to be dismantled beginning on February 1, 2012. On December 29, 2011, the California Supreme Court upheld the constitutionality of AB 1X26, but determined the AB 1X27 was unconstitutional. Pursuant to AB 1X26 and the Supreme Court decision, redevelopment agencies may not take on any new obligations and must now wind down their existing operations effective February 1, 2012, which will be transferred to designated successor agencies.

Projected amount necessary to get us through the current Fiscal Year if the General Fund absorbs staff costs associated to the Commission

As the City Council initiates the FY 2012-13 budget process, it will also have to address the last five months of FY 2011/2012 due to the loss of redevelopment revenues and their impact on the City's General Fund:

- ✓ Revenue Loss of approximately \$300,000
- ✓ Absorbing approximately \$900,000 in staff costs

Administrative Allowance Provided the Successor Agency

By definition in AB1X 26, Administrative Cost Allowance means an amount that, subject to the approval of the Oversight Board, is payable from property tax revenues of up to 5% of the property tax allocated to the Successor Agency for the 2011-12 fiscal year and up to 3% for each fiscal year thereafter; however, that amount shall not be less than \$250,000.

For Example:

Problem: The statute can't be implemented because of delay in implementation of AB26. The successor agency did not receive property tax for the full 2011-12 fiscal year.

Solution: Amend the statute to calculate 5% based upon full 2011-12 fiscal year tax increment.

Given these uncertainties, staff believes it prudent at this time in presenting a range that speaks to the potential impact using a "Maximum Administrative Allowance" of \$950,000 and a "Minimum Administrative Allowance" of \$250,000 (both figures pro-rated for the remaining 5 months of the fiscal year).

Projected Impact

Under the Maximum Allowance Scenario -- **\$1,164,753**

Under the Minimum Allowance Scenario -- **\$1,456,419**

Working under the premise of the worst case scenario, staff proceeded with addressing a **\$1.5 million** projected shortfall for the remainder of the fiscal year.

How do we get there from here?

Interest Earnings that will not be recognized	\$(500,000)
Indirect Costs that will not be recognized	\$(260,417)
Staff Costs that will need to be absorbed	<u>\$(696,003)</u>
Projected Year End Surplus / (Deficit)	\$(1,456,419)
Budget Stabilization Fund (FY 10-11 Allocation)	\$ 500,000
Sale of Boxford	\$ 600,000
Departmental Reductions / Savings (A)	\$ 287,189
Annual Maintenance/Repair of Catch Basin Screen Inserts	<u>\$(80,000)</u>
Projected Year End Surplus / (Deficit)	\$(149,230)

Staff recommends that a decision on the remaining projected deficit be made after the close of the fiscal year.

(A) MID-YEAR BUDGET ADJUSTMENTS:

As was highlighted above, the General Fund projected year-end balance was revised from a **balanced budget to a negative \$1,456,419**. As a result, each department was asked to identify any appropriation adjustments to their budgets that will result in the General Fund bottom line ending the fiscal year in the black. In summary, the departments presented the City Administrator with additional budget reductions of **\$287,189** to help bridge that gap.

Below is the list of proposed reductions and/or savings.

Parks & Recreation (\$101,461)

- **\$2,400** Day Camp – Supplies / Elimination of the Summer Day Camp Registration Day Salary Savings
- **\$4,500** Park Supply Accounts
- **\$3,550** Consolidate the Baby Show and Garden Show events with Cinco de Mayo
- **\$32,900** Competitive teams-all overnight travel to be 100% paid by parents
- **\$4,540** Cancel bimonthly Friday night karate classes, reduce funds for youth basketball awards and supplies, eliminate the Freedom 5K Fun Run on July 4.
- **\$14,535** Close swimming pools, locker rooms, the cashier's booth, and saunas on the weekends, between 1:00-3:30
- **\$8,236** Bristow Snack Bar (change hours of operation to Thursday-Sunday, 1:00-4:30. Rosewood Snack Bar (reduce hours from Monday-Friday,

11:00-5:30 to 11:00-4:30 & eliminate Saturday and Sunday hours of 1:00-4:00, for a savings of \$1,836)

- **\$30,800** **Camp Commerce - The following camp sessions have already been cancelled:**
 - **April 2-5, 2012 – Youth Week (4 enrolled)**
 - **May 4, 2012 – Family Weekend (2 enrolled)**
 - **June 1, 2012 – Family Weekend (8 enrolled)**

Recommendation to cancel the March 2-4 family weekend

Community Development (\$76,000)

- **\$50,000** **Tree Maintenance**
- **\$15,000** **Major Facility Repairs**
- **\$5,000** **Major Street Repairs**
- **\$2,500** **General Plan**
- **\$2,000** **Architectural Services**
- **\$1,500** **CEQA Review**

Library Services (\$45,000)

- **\$1,500** **Education Commission - Supplies**
- **\$2,666** **Administration – Supplies/Travel/Memberships**
- **\$13,815** **Central Library – Collection**
- **\$4,509** **Children Services – Miscellaneous Supplies**
- **\$5,728** **Branch Libraries – Collection**
- **\$12,960** **Support Services – Supplies**
- **\$3,822** **Literacy – Supplies/Class Instructor/Instructional Supplies**

Human Resources (\$20,138)

- **\$9,000** **Employee Development**
- **\$3,500** **General Advertising**
- **\$3,166** **Employee Committee**
- **\$2,372** **Pre-Employment**
- **\$2,100** **Rideshare / Overtime**

Finance (\$20,000)

- **\$15,000** **Info Tech – Contract/Software Support/Network Security savings**
- **\$3,500** **Supply Accounts**
- **\$1,500** **Travel / Local Meetings**

Community Services (\$18,590)

- **\$8,900** **CSS – Supplies/Uniform Purchase/Neighborhood & Business Watch Programs/Equip Maintenance & Repair**
- **\$3,000** **Law Enforcement -- Supplies**
- **\$2,700** **Employment & Bus Development Ctr – Classes/Seminars**
- **\$1,890** **Animal Control – Supplies / Meetings / Uniform Purchase**
- **\$1,400** **Administration – Miscellaneous Supplies**
- **\$500** **Crossing Guards – Supplies / Uniform Purchase**
- **\$200** **Emergency Preparedness – Subscriptions & Memberships**

Public Information/Graphics/Cable (\$4,000)

- **\$2,200** **Cable – Supplies / Local Meeting Expense**
- **\$1,150** **Graphics – Equip Rental / Printing Svcs / Travel**
- **\$650** **PIO – Printing Svcs / Subscription & Memberships**

Administration / City Clerk's Office (\$2,000)

- **\$2,000** **Supplies**

FISCAL IMPACT:

The City is faced with a difficult challenge in addressing an approximate \$1.5 million problem for the remainder of this fiscal year, however, staff believes that the steps outlined above will do just that if we recognize the revenues projected and hold the departmental expenditures in check.

Mindful of the organizational and financial impact involving last years' budget process (FY 2011-2012), staff continues to make a concerted effort to minimize the impact to personnel as it moves towards the FY 2012-2013 budget process.


RELATIONSHIP TO 2009 STRATEGIC GOALS:

The proposed Mid-year Budget Review is associated with Council's goal of making financially and economically sound decisions consistent with economic conditions.

Recommended by:


Vilko Domic
Director of Finance/City Treasurer

Respectfully submitted,


Jorge Rifa
City Administrator/
Executive Director

Approved as to Form



Eduardo Olivo
City Attorney



AGENDA REPORT

MEETING DATE: February 21, 2012

TO: Honorable City Council
FROM: City Administrator
SUBJECT: CITY OF COMMERCE: 2011 ANNUAL REPORT

RECOMMENDATION:

Receive and file.

MOTION:

Receive and file.

BACKGROUND/ANALYSIS:

The 2011 Annual Report provides an opportunity to profile many of the significant activities and services provided by each respective City department this past calendar year, and illustrates why Commerce continues to be a great community.

Under the City Council's leadership, the City continues to weather the economic challenges and accomplished a great deal over the 2011 calendar year. The report addresses significant program and service achievements that were sustained despite expenditure reductions.

FISCAL IMPACT:

This activity can be carried out without additional impact on the current operating budget.

STRATEGIC PLAN SIGNIFICANCE:

The agenda item report relates to the 2009 strategic plan goal: "Protect and enhance quality of life in the City of Commerce." The 2011 Annual Report presents to the council and the community a chronicle of the services delivered in the City's 51st year of incorporation.

Respectfully submitted,


Jorge J. Rifa
City Administrator

Fiscal impact reviewed by:


Vilko Domic
Director of Finance

Approved as to form:


Eduardo Olivo
City Attorney

Attachments: 2011 Annual Report



AGENDA REPORT

Meeting date: February 21, 2012

TO: Honorable City Council

FROM: City Administrator

SUBJECT: Proposed Program Changes- Baby Show, Garden Show and Cinco De Mayo

RECOMMENDATION:

Approve recommended changes to the annual Baby Show, Garden Show, and Cinco De Mayo.

MOTION:

Move to approve recommendation.

BACKGROUND:

Given the city's financial situation, the Parks and Recreation Department is recommending that the annual Baby Show and Garden Show be combined with the Cinco De Mayo celebration, to save approximately \$3,550. The savings includes approximately \$2,000 in staff costs for all three events; \$400 from the elimination of trophies for the Baby Show; and \$1,150 by eliminating one of two bands, for Cinco De Mayo.

ANALYSIS:

The annual Cinco De Mayo Celebration is scheduled for Saturday, May 5, 2012, at Rosewood Park. The event typically attracts two thousand participants and features live entertainment, food, rides, and piñatas. The event also incorporates a boxing show and Hot Shot exhibition game, to kick off the Hot Shot baseball season. As a cost saving measure, staff recommends combining the Baby Show and Garden Show with the Cinco De Mayo event.

The Baby Show is currently scheduled for April 9, 2012, in the Veteran's Park Gymnasium. The event attracts approximately 300 patrons, including 150 young participants (ages 3 and under). With Council's approval, the Baby Show will become part of the activities on the Showmobile, at the Cinco De Mayo event. The participants will benefit from a larger audience and greater participation from the community and the department will save money by reducing staff costs and hiring only one band for Cinco De Mayo, instead of two (savings of \$1,150). Because the Baby Show will be conducted on stage as part of the event, it eliminates the need to hire a second band.

Historically, staff has provided 57 first place trophies (\$485) and less expensive ribbons to all other participants. This year, staff plans on eliminating the trophies and providing ribbons to all participants, for a cost savings of approximately \$400.

The Garden Show is currently scheduled for April 19, 2012, at Rosewood Park. The department has a line item budget of \$2,300 for the Garden Show and Going Green Event, which is historically poorly attended by the public. If the Garden Show is combined with the Cinco De Mayo event, it will still be held in the Rosewood Park meeting room and the club will still receive the same level of support from staff. Holding the events simultaneously is expected to increase foot traffic to the Garden Show and raise the club's profile in the community. Staff has consulted with Mr. José Zambrano, the

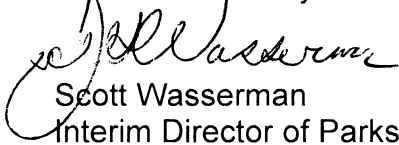
FISCAL IMPACT:

Council's approval of combining the Baby Show, Garden Show, and Cinco de Mayo Celebration will save approximately \$3,550.

RELATIONSHIP TO STRATEGIC GOALS:

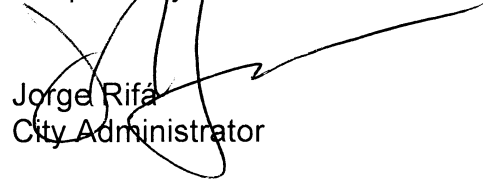
This item relates to Council's goal of making financial and economically sound decisions that are consistent with economic conditions.

Recommended by:



Scott Wasserman
Interim Director of Parks and Recreation

Respectfully submitted,



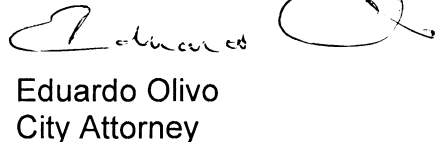
Jorge Rifa
City Administrator

Fiscal Impact Reviewed by:



Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney



AGENDA REPORT

Meeting date: February 21, 2012

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: CITY SPONSORSHIP PACKET

RECOMMENDATION:

At the request of Councilmember Robles, the City Council will discuss the City's proposed donation packet and policy and provide direction to staff.

MOTION:

Move to approve the recommendation.

BACKGROUND:

The City of Commerce is seeking to solicit donations from local businesses to subsidize the cost of special events and programs. Staff has developed a sample cover letter, sponsorship packets, and a Donation Policy, for Council's review and input.

ANALYSIS:

Staff has provided sample sponsorship packets for Council's review. The packets contain a cover letter and two sample donation forms, for the upcoming Cinco de Mayo and Independence Day Celebrations. In the future, the donation forms can be tailored to specific events and programs. The sponsorship packets are intended to provide clear information to potential donors, regarding sponsorship opportunities that are available, with a description of the publicity each local business can expect in return for their donation.

Staff is also submitting a draft Sponsorship Policy for Council's consideration. The Sponsorship Policy is intended to establish guidelines so that staff and Council are able to coordinate requests for donations, avoid multiple requests with the same donors, maintain long-standing relationships with current donors (i.e. the Casino), and standardize the level of publicity the city offers for monetary donations.

FISCAL IMPACT:

This activity can be carried out without additional impact on the current operating budget.

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to Strategic Goal #3: Make financial and economically sound decisions consistent with economic conditions. The city's efforts to solicit donations from the business community are consistent with those initiated in surrounding cities.

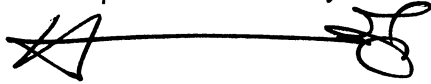
Recommended by:

Scott Wasserman
Interim Director of Parks and Recreation

Respectfully submitted,

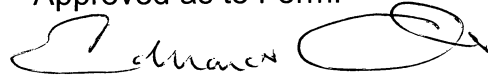
Jorge Rifa
City Administrator

Fiscal Impact reviewed by:



Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney

Attachments:

1. Sponsor Letter – Draft
2. Cinco De Mayo Sample Donation Form
3. Independence Day Sample Donation Form
4. Donation Policy - Draft

Name
Address
City, State Zip

The City of Commerce will once again be hosting the annual Cinco De Mayo and Independence Day Celebrations, at Rosewood Park. The Parks and Recreation Department organizes these free events to give our community an opportunity to participate in family activities that can be enjoyed by everyone.

Cinco De Mayo will be held on Saturday, May 5, at Rosewood Park. The event features a live band, food, games for children, and a boxing show. The event is also our opening day for our youth baseball season, and is attended by approximately 5,000 residents.

Independence Day is a day-long event that is held at Rosewood Park, on the 4th of July. The event includes a live band and dancing, entertainment, food, a four-day carnival with rides, and a fireworks show. The event is free to all residents and is attended by upwards of 10,000 residents, throughout the day.

This year, we are reaching out to local businesses to partner with the city and sponsor these exciting events. We expect that our new sponsorship program will benefit both your business as well as the community. The publicity you will receive from sponsoring these events is significant and your sponsorship will truly validate the Parks and Recreation Department's mission of "creating community through people, parks and programs."

Please do not miss out on this opportunity for your organization to partner with us in providing our community with safe, fun and memorable events. I have enclosed a membership packet for your review and have asked our Director of Parks and Recreation to follow up soon.

Sincerely

Joe Aguilar
Mayor, City of Commerce

2012 City of Commerce Sponsorship Opportunity

Cinco De Mayo Celebration – May 5, 2012
City of Commerce
2535 Commerce Way
Commerce, CA 90040

Attracting over 5,000 residents from greater Los Angeles, the City of Commerce's Annual Cinco De Mayo Celebration offers an exciting opportunity for local businesses to reach out to local residents. The festive event features a live band and dancing, food, games for children, and a boxing show. The event is also our opening day for our youth baseball season.

SPONSORSHIP LEVELS

- \$5,000 Presenting Sponsor
- \$1,500 Fiesta Sponsor
- \$1,000 Corazon Sponsor
- \$750 Mariachi Sponsor
- \$100 Amigo Partner

See the attached sheet for sponsorship benefits.

PLEASE COMPLETE THE FOLLOWING INFORMATION AND E-MAIL OR FAX COMMITMENT.

____ Credit Card ____ Check (Make check payable to: City of Commerce)

Company/Firm Name: _____

Representative Name: _____

Address: _____

Phone: _____ **Fax:** _____

Email Address: _____

Contact Parks and Recreation Director Scott Wasserman at:
City of Commerce, 2535 Commerce Way
Commerce, CA 90040
Phone: (323) 887-4434 Fax: (323) 838-4255

Level of Sponsorship: _____

Credit Card #: _____ **Expiration Date:** _____ **Amount: \$** _____

The City of Commerce reserves the right to decline sponsorship requests.

Sponsorship Packet**Presenting Sponsor (Limited to two sponsors at this level) \$5,000**

- All event publicity will display event sponsor's name and logo (i.e. *Company Name proudly presents the annual Cinco De Mayo Celebration*)
- Company LOGO displayed on the City's website for one year
- A video message from event sponsor aired on channel 55
- 1/3 page advertisement in the Report to the People, acknowledging your generous donation
- Large company logo on 10 X 4 banner displayed throughout event and in the event program and department brochure (banner provided by the Parks and Recreation Department)
- (1) 10 X 10 booth at the event, with one table and two chairs
- On stage sponsorship recognition, throughout the program
- Sponsorship recognition on all promotional materials (flyers, posters, and Report to the People)

Fiesta Sponsor \$1,500

- Small company logo on 7 X 2 ½ on banner displayed throughout the event and in the event program and department brochure (banner provided by Parks and Recreation Department)
- Acknowledgement of your donation in the Report to the People
- (1) 10 X 10 booth, with one table and two chairs at the event
- On stage sponsorship recognition throughout the event
- Sponsorship recognition on all promotional materials

Company Sponsor \$1,000

- Your company's 7 X 2 ½ banner displayed throughout the event and in the event program (banner provided by the Parks and Recreation Department)
- Acknowledgement of your donation in the Report to the People
- (1) 10 X 10 booth, with one table and two chairs at the event
- On stage sponsorship recognition throughout the event
- Sponsorship recognition on all promotional materials

\$750

- Your company's 5 X 2 banner displayed throughout the event and in the event program (banner provided by the Parks and Recreation Department)
- Acknowledgement of your donation in the Report to the People
- On stage sponsorship recognition throughout the event
- Sponsorship recognition on all promotional materials

\$400

- Acknowledgement of your donation in the Report to the People
- Sponsorship recognition in the event program

2012 City of Commerce Sponsorship Opportunity

Independence Day Celebration – July 4, 2012
City of Commerce
2535 Commerce Way
Commerce, CA 90040

Attracting over 10,000 residents from greater Los Angeles, the City of Commerce's Annual Independence Day Celebration is a day-long event that is held at Rosewood Park. The event includes a live band and dancing, entertainment, food, a carnival with rides, and a fireworks show. The event is free to all residents and is attended by upwards of 10,000 residents, throughout the day. The carnival operates for four days, providing an exciting publicity opportunity for event sponsors.

SPONSORSHIP LEVELS

- \$10,000 Presenting Sponsor
- \$5,000 Stars and Stripes Sponsor
- \$2,500 Firecracker Sponsor
- \$1,000 Patriot Sponsor
- \$500 Sparkler Partner
- \$100 Piccolo Pete

See the attached sheet for sponsorship benefits.

PLEASE COMPLETE THE FOLLOWING INFORMATION AND E-MAIL OR FAX COMMITMENT.

____ Credit Card ____ Check (Make check payable to: City of Commerce)

Company/Firm Name: _____

Representative Name: _____

Address: _____

Phone: _____ **Fax:** _____

Email Address: _____

Contact Parks and Recreation Director Scott Wasserman at:

City of Commerce, 2535 Commerce Way
 Commerce, CA 90040

Phone: (323) 887-4434 Fax: (323) 838-4255

Level of Sponsorship: _____

Credit Card #: _____ **Expiration Date:** _____ **Amount: \$** _____

The City of Commerce reserves the right to decline sponsorship requests.

Sponsorship Packet

Presenting Sponsor (Limited to two sponsors at this level) \$20,000

- All event publicity will display event sponsor's name and logo (i.e. *Company Name proudly presents the annual Cinco De Mayo Celebration*)
- Company LOGO displayed on the City's website for one year
- A video message from event sponsor aired on channel 55
- 1/3 page advertisement in the Report to the People, acknowledging your generous donation
- Large company logo on 10 X 4 banner displayed throughout event and in the event program and department brochure (banner provided by the Parks and Recreation Department)
- (1) 10 X 10 booth at the event, with one table and two chairs
- On stage sponsorship recognition, throughout the program
- Sponsorship recognition on all promotional materials (flyers, posters, and Report to the People)

Booth and Tables Sponsor \$10,000

- Small company logo on 7 X 2 ½ on banner displayed throughout the event and in the event program and department brochure (banner provided by Parks and Recreation Department)
- Acknowledgement of your donation in the Report to the People
- (1) 10 X 10 booth, with one table and two chairs at the event
- On stage sponsorship recognition throughout the event
- Sponsorship recognition on all promotional materials

Booth and Tables Sponsor \$5,000

- Your company's 7 X 2 ½ banner displayed throughout the event and in the event program (banner provided by the Parks and Recreation Department)
- Acknowledgement of your donation in the Report to the People
- (1) 10 X 10 booth, with one table and two chairs at the event
- On stage sponsorship recognition throughout the event
- Sponsorship recognition on all promotional materials

Booth and Tables Sponsor \$5,000

- Your company's 5 X 2 banner displayed throughout the event and in the event program (banner provided by the Parks and Recreation Department)
- Acknowledgement of your donation in the Report to the People
- On stage sponsorship recognition throughout the event
- Sponsorship recognition on all promotional materials

Booth and Tables Sponsor \$5,000

- Acknowledgement of your donation in the Report to the People
- Sponsorship recognition in the event program

Donation Policy

The following policy is intended to establish guidelines for the effective solicitation of monetary donations from the business community. The policy is intended to: 1) standardize the level of publicity donor organizations receive, according to the amount of the donation; 2) prevent staff from repeatedly approaching the same donors; and, 3) provide a mechanism for staff and Council to coordinate all donation efforts.

1. The Public Information Officer will maintain a master list of donors that will document all in-kind and monetary donations. The list will document the date of each donation, how it was used, and the initiating department.
2. All requests for donations must be sent to the PIO for approval. The PIO will authorize all solicitations, unless there is a conflict with a previous request already submitted by another department or Council member.
3. In coordinating donation solicitations, staff will respect historical donations that are regularly made by local businesses for specific events and programs (i.e. the Casino's annual sponsorship of the Commerce Scholarship Program, Miss Commerce Pageant, children's holiday party, and Independence Day, etc.).
4. Unsolicited monetary or in-kind donations offered by the business community may be accepted, at the discretion of the respective Department Head.