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**AGENDA FOR THE
CONCURRENT REGULAR MEETINGS OF
THE CITY COUNCIL OF THE CITY OF COMMERCE AND
THE GOVERNING BODY OF THE SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION
(HEREINAFTER "SUCCESSOR AGENCY")**

**COUNCIL CHAMBERS
5655 JILLSON STREET, COMMERCE, CALIFORNIA**

TUESDAY, MAY 7, 2013 – 6:30 P.M.

CALL TO ORDER

Mayor/Chairperson Aguilar

PLEDGE OF ALLEGIANCE

Beatriz Sarmiento
Director of Library Services

INVOCATION

Mayor Pro Tempore/ Vice Chairperson Leon

ROLL CALL

City Clerk/Secretary Olivieri

APPEARANCES AND PRESENTATIONS

1. Presentation – Relay For Life

The **City Council** will receive a brief presentation from the American Cancer Society thanking the City Council for its generous support in hosting the Second Annual Relay for Life held April 5-6, 2013 at Veterans Memorial Park. A representative from the American Cancer Society will present a slide show featuring highlights of the event.

PUBLIC COMMENT

Citizens wishing to address the City Council and 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/Secretary. 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/Secretary prior to com-

mencement 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/SUCCESSOR AGENCY 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 or Board Member desire to consider any item separately he/she should so indicate to the Mayor/ Chairperson. 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 Successor Agency** will consider for approval, respectively, the minutes of the Concurrent Adjourned Regular Meetings of Tuesday, April 16, 2013, held at 5:00 p.m.; Concurrent Regular Meetings of Tuesday, April 16, 2013, held at 6:30 p.m. and Concurrent Adjourned Regular Meetings of Tuesday, April 23, 2013, held at 4:00 p.m.

3. Approval of Warrant Register No. 20

The **City Council and Successor Agency** will consider for approval, respectively, the bills and claims set forth in Warrant Registers No. 20A, dated May 7, 2013, and No. 20B, for the period April 17, 2013, to May 2, 2013.

4. Proclamation – National Transportation Week

The **City Council** will consider proclaiming the week of May 12 – May 18, 2013, as National Transportation week in the City of Commerce.

5. Proclamation – National Public Works Week

The **City Council** will consider proclaiming the week of May 19 – May 25, 2013, as National Public Works week in the City of Commerce.

6. Pageant Steering Committee

At the request of Councilmember Robles, the **City Council** will consider, and provide direction as deemed necessary with respect to, determining the feasibility of converting the Pageant Steering Committee to a formal Commission. The Pageant Steering Committee recommends leaving the body as a Committee, and staff concurs with this recommendation.

7. Letter of Support -- Requesting the Highest Possible Level of Funding for the Transportation, Housing and Urban Development and Related Agencies (THUD) Subcommittee

The **City Council** will consider for approval a letter in support of the Los Angeles County Community Development Commissions' request to the House and Senate Appropriations Leadership for the highest possible

CONCURRENT REGULAR COUNCIL/SUCCESSOR AGENCY AGENDA

05/07/2013 – 6:30 p.m.

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level of funding for the Transportation, Housing and Urban Development and Related Agencies (THUD) subcommittee and further authorizing the Mayor to execute said letter on behalf of the City of Commerce.

8. Amendment to the Personnel Classification and Compensation Plan

The **City Council** will consider, and provide direction as deemed necessary with respect to, amending the Classification and Compensation Plan to include a proposed job classification and salary schedule for Special Assistant to the City Administrator.

9. Fiscal Year 2012/13 Capital Improvement Program Update

The **City Council** will consider for receipt and filing an update report on the Fiscal Year 2012/13 Capital Improvement Program.

10. A Resolution of the City Council of the City of Commerce, California, Approving a Standard Contract with BR Tree Service, for City Project #1302 Forest Care Project at Camp Commerce

On September 4, 2012, the City Council approved an agreement with National Forest Association authorizing staff to solicit bids to have trees trimmed and thinned out at Camp Commerce in order to receive the yearly clearance letter from the San Bernardino County Fire Marshall.

The **City Council** will consider for approval and adoption a proposed Resolution approving a Standard Contract with BR Tree Service, for City Project #1302 Forest Care Project at Camp Commerce.

11. A Resolution of the Successor Agency to the Commerce Community Development Commission Approving a Purchase and Sale Agreement between the Successor Agency and Costco Wholesale Corporation

The **Successor Agency** will consider for approval and adoption a proposed Resolution approving a Purchase and Sale agreement between the Successor Agency and Costco Wholesale Corporation.

12. A Resolution of the City Council of the City of Commerce, California Declaring that the Public Interest and Necessity Demand the Immediate Expenditure of Public Money to Safeguard Life, Health, and/or Property Pursuant to California Public Contract Code Sections 20168 and 22050, and Approving and Adopting the Findings Required by Health and Safety Code Section 33445 for Funding of Capital Improvements for Street Repairs Required on Canning Street between Garfield Avenue and Malt Avenue, and Authorizing All Necessary Work and Expenditures Related Thereto

The **City Council** will consider for approval and adoption a proposed Resolution declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health, and/or property pursuant to California Public Contract Code Sections 20168 and 22050, and approving and adopting the findings required by Health and Safety Code Section 33445 for funding of capital improvements for street repairs required on Canning Street between Garfield Avenue and Malt Avenue, and authorizing all necessary work and expenditures related thereto.

13. A Resolution of the City Council of the City of Commerce, California Approving an Agreement with The Los Angeles County Metropolitan Transportation Authority (LACMTA) for the Exchange of Surface Transportation Program Local Funds (SPT-L Funds)

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The **City Council** will consider for approval and adoption a proposed Resolution approving an agreement with the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the exchange of Surface Transportation Program Local Funds (STP-L Funds). STP-L Funds are restricted for transportation projects involving major arterial and state roads only, many cities have difficulties expending their allocations. Therefore, the LACMTA has offered all municipalities in their region the opportunity to exchange these funds for less restrictive funds (flexible LACMTA transportation funds).

14. A Resolution of the City Council of the City of Commerce, California, Approving Contracts for the Home Preservation Program [Project No. 601074-12, Community Development Block Grant (CDBG) Program]

On February 7, 2012, the City Council approved Community Development Block Grant Program funding for the Home Preservation Program (601074-12) to include home improvement activities involving, but not limited to the following items: roofing, windows, plumbing, electrical, painting and other improvements to the homes.

The **City Council** will consider for approval and adoption a proposed Resolution approving contracts for the Home Preservation Program [Project No. 601074-12, Community Development Block Grant (CDBG) Program].

15. A Resolution of the Successor Agency to the Commerce Community Development Commission Approving a License and Hold Harmless Agreement between the Successor Agency and Craig-Realty Group--Citadel LLC

The **Successor Agency** will consider for approval and adoption a proposed Resolution approving a License and Hold Harmless agreement between the Successor Agency and Craig-Realty Group-Citadel LLC, for the use of Successor Agency-owned real property for parking purposes for weekdays and weekends throughout the remainder of 2013, and for the first part of 2014. The Successor Agency desires to license the premises for use by Craig Realty for parking purposes.

16. A Resolution of the Successor Agency to the Commerce Community Development Commission Approving a License And Hold Harmless Agreement Between The Successor Agency and Tubeway Properties, LLC

The **Successor Agency** will consider for approval and adoption a proposed Resolution approving a License and Hold Harmless agreement between the Successor Agency and Tubeway Properties, LLC, for the use of Successor Agency-owned real property for parking purposes.

17. A Resolution of the City Council of the City of Commerce, California, Authorizing the Examination of Transactions (Sales) and Use Tax Records

Pursuant to Ordinance No. 649 of the City of Commerce and Section 72720 of the Revenue and Taxation Code, the City entered into a contract with the State Board of Equalization to perform all functions incident to the administration and operation of the transactions and Use Tax Ordinance.

The City deems it desirable and necessary for authorized representatives of the City to examine confidential transactions and use tax records of the State Board of Equalization pertaining to transactions and use taxes collected by the Board for the City pursuant to that contract.

Section 7056 of the Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board of Equalization records and establishes criminal penalties for the unlawful disclosure of information contained in or derived from, the transactions and use tax records of the Board.

The **City Council** will consider for approval and adoption a proposed Resolution authorizing the examination of transactions (sales) and use tax records.

18. A Resolution of the City Council of the City of Commerce, California, Approving a Water Right Lease and Agreement with the City of Whittier for FY 2013-2014

From the City-owned water system, the City possesses 5,081 acre-feet of pumping rights pursuant to its allowed pumping allocation, plus a carryover of 1,016.2 acre-feet of water from the previous year. The City only pumped 1,912.01 acre-feet of water in Water Year 2011-2012, leaving an unused balance of 4,185.19 acre-feet of water.

The City of Whittier has offered to lease 3,000 acre-feet of annual pumping rights from Commerce in Water Year 2013-2014, for the negotiated amount of \$115.00 per acre-foot.

The **City Council** will consider for approval and adoption a proposed Resolution approving a Water Right Lease and Agreement with the City of Whittier for fiscal year 2013-2014.

PUBLIC HEARINGS

19. Public Hearing -- Discussion and Presentation on the 2014-2021 Housing Element Update

The **City Council** will conduct a public hearing on a discussion and presentation with respect to the 2014-2021 Housing Element Update.

The Public Hearing will be continued to May 21, 2013.

SCHEDULED MATTERS

20. Crime Statistics Report – Los Angeles County Sheriff’s Department

The **City Council** will receive a presentation from Captain James Wolak of the Los Angeles County Sheriff’s Department on the January 2012 through December 2012, Crime Statistics Report.

21. Presentation -- Slawson Southeast Occupational Center on Job Preparation Opportunities and Transportation Challenges

At the request of Councilmember Altamirano, the **City Council** will receive a presentation from a representative of the Slawson Southeast Occupational Center, pertaining to Job Preparation Opportunities and Current Transportation Challenges.

22. City Sponsorship Levels for Cinco de Mayo and Independence Day Events

The **City Council** will consider and provide direction as deemed necessary with respect to, donation levels for the annual Cinco de Mayo and Independence Day events.

23. Commission and Committee Appointments

The **City Council** will make the appropriate appointments to the following Commissions and Committees: Community Services Commission, Education Commission, Library Commission, Parks & Recreation Commission, Planning Commission, Senior Citizens Commission, Traffic Commission, Youth Advisory Commission, Beautification Committee, I-710 Local Advisory Committee (Ad Hoc) and Environmental Justice Advisory Task Force.

ORDINANCES AND RESOLUTIONS

24. A Resolution of the City Council of the City of Commerce, California, Establishing the Composition of the Advisory Committee Provided for by Measure AA (Ordinance No. 649), Setting the Terms of Office of the Committee Members, and Defining the Scope of the Committee's Responsibilities

On August 6, 2012, the City Council approved the submittal of Measure AA to the City voters at the November 6, 2012, Election. Measure AA proposed to raise revenue to offset severe state budget cuts and provide funding for such things as repair, maintenance and improvement of streets, sidewalks, public facilities, parks, libraries and other services in the City of Commerce. The revenue would be raised by approving an Ordinance enacting a one-half of one percent (½%) transactions and use (i.e. "sales tax") tax within the City.

On November 6, 2012, Measure AA was duly approved by the voters of the City of Commerce.

Measure AA (Ordinance No. 649) provides for the establishment of an Advisory Committee that will review and report on the receipt of and expenditure of funds from the sales tax revenues generated by Measure AA.

The **City Council** will consider for approval and adoption a proposed Resolution establishing the composition of the Advisory Committee provided for by Measure AA (Ordinance No. 649), setting the terms of office of the Committee Members, and defining the scope of the Committee's responsibilities.

CIP PROGRESS REPORT

I-710 LOCAL ADVISORY COMMITTEE UPDATE – None

RECESS TO CLOSED SESSION – No Items

ADJOURNMENT

Adjourn in memory of Richard "Dick" Zeimet, retired City employee; Enriqueta Sanchez-Munoz, Mother-In-Law of Community Services Commissioner Yolanda Acosta and Jim DiMarzio, husband of retired City employee Donna DiMarzio to Thursday, May 9, 2013, at 2:00 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

Meeting Date: May 7, 2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: PRESENTATION – RELAY FOR LIFE

RECOMMENDATION:

Receive the Presentation and participate in photo session.

MOTION:

Approve the recommendation.

BACKGROUND:

The American Cancer Society would like to thank the City Council for their generous support by hosting the second annual Relay for Life in the City of Commerce. This overnight event was held April 5-6, 2013 at Veterans Memorial Park. A slide show featuring highlights of the event will be presented.

ANALYSIS:

This event "Relay for Life" raises awareness of cancer in the community and raises funds to fight cancer. At Relay for Life, teams of friends, neighbors, families and coworkers commit to keeping at least one member walking the track for a period of 24 hours.

FISCAL IMPACT:

This item can be completed without any fiscal impact.

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to Strategic Goal #2: Protect and enhance the quality of life in the City of Commerce.

Recommended by:


Scott Wasserman
Director of Parks & Recreation

Respectfully Submitted,


Jorge Rifa
City Administrator

Approved as to form:


Eduardo Olivo
City Attorney



AGENDA REPORT

Meeting Date: May 7, 2013

TO: Honorable City Council
FROM: City Administrator
SUBJECT: PROCLAMATION – DESIGNATE THE WEEK OF MAY 12 – 18, 2013, as NATIONAL TRANSPORTATION WEEK

RECOMMENDATION:

With the consent of the City Council, the Mayor will proclaim the week of May 12 – 18, 2013, as National Transportation Week.

MOTION:

Move to approve recommendation.

BACKGROUND:

The week of May 12 – 18, 2013, is recognized annually across the nation as National Transportation Week (NTW) NTW provides an opportunity for all of us to join together for greater awareness and appreciation of the transportation industry. It is also a time when we celebrate the community of transportation professionals who keep our country on the move.

ANALYSIS

None

FISCAL IMPACT

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

RELATIONSHIP TO 2012 STRATEGIC GOALS

Ensure the City will have a trained, quality workforce to efficiently provide services to City of Commerce residents for the future.

Recommended by:


Claude McFerguson
Director of Transportation

Respectfully submitted,


Jorge Rifa
City Administrator

Approved as to Form:


Eduardo Olivo
City Attorney

A PROCLAMATION OF THE
CITY OF COUNCIL OF THE CITY OF COMMERCE
DESIGNATING MAY 12 - 18, 2013, AS
NATIONAL TRANSPORTATION WEEK

WHEREAS, in 1961 President John F. Kennedy declared the third Friday of May as National Transportation Week; and

WHEREAS, the Transportation Industry has transformed America into a sophisticated network of metropolitan communities; and

WHEREAS, Public Transportation is a central component of the national transportation network; and

WHEREAS, Public Transportation connects workers with jobs, families with each other, and the public with resources to live their lives; and

WHEREAS, the City's Transportation Department has been providing quality, fare-free transportation services to the City's residents for over 50 years; and

WHEREAS, the Commerce Transportation Department annually transports over 773,800 passengers for approximately 385,300 miles each year; and

WHEREAS, the City of Commerce maintains a professionally trained and dedicated staff of bus operators, mechanics, supervisors, and support staff who play a vital role in the overall success of the City's public transportation system; and

WHEREAS, the Commerce City Council and staff remain committed to providing safe, accessible, affordable, and essential public transportation services to the City's residents and business community.

NOW, THEREFORE, THE CITY OF COMMERCE CITY COUNCIL DOES HEREBY PROCLAIM THE WEEK OF MAY 12 – 18, 2013, AS NATIONAL TRANSPORTATION WEEK AND URGES ALL THOSE WHO LIVE OR WORK IN THE CITY OF COMMERCE TO SUPPORT AND PROMOTE THIS OBSERVANCE.

PASSED, APPROVED AND ADOPTED this 7th day of May 2013.

Joe Augilar
Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk



AGENDA REPORT

MEETING DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: PROCLAMATION - NATIONAL PUBLIC WORKS WEEK

RECOMMENDATION:

That the City Council consider designating the week of May 19 – May 25, 2013, as National Public Works Week in the City of Commerce.

MOTION:

Move to approve recommendation.

BACKGROUND:

Since 1960, the American Public Works Association (APWA) has encouraged communities and government agencies at all levels to celebrate the hard work and dedication of the many public works professionals throughout North America who operate, build, maintain our water, sewers, streets, public buildings, solid waste collection, parkway trees, street sweeping and street lights.

This year's theme is "Because of Public Works..." to illustrate the quality of life brought to communities around the world (i.e., clean water, safe streets and neighborhoods, efficient traffic and safe clean communities, etc) is the result of the never-ending effort and dedication of public works (or public services) professionals to their communities, the environment and the residents that they serve and the communities they work and live in.

ANALYSIS:

It is important to acknowledge that the health, safety and quality of life we have become accustomed to, depends on the commitment and dedication of our public services professionals.

FISCAL IMPACT:

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

RELATIONSHIP TO 2012 STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: "Improve and maintain infrastructure and beautify our community" as identified in the 2012 Strategic Plan.

Respectfully submitted,


Jorge Rifa
City Administrator

Recommended and Prepared by:



Danilo Batson
Assistant Director of Public Services

Reviewed by:



Vilko Domic
Director of Finance

Approved as to form:



Eduardo Olivo
City Attorney

File: 2013 City Council Agenda Reports
Proclamation - National Public Works Week – Agenda Report File

PROCLAMATION

**A PROCLAMATION OF THE CITY COUNCIL OF THE
CITY OF COMMERCE, CALIFORNIA,
PROCLAIMING MAY 19 – MAY 25, 2013, AS
NATIONAL PUBLIC WORKS WEEK IN THE CITY OF
COMMERCE**

WHEREAS, public works services provided in our community are an integral part of our citizen's everyday lives; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems and programs such as water, sewers, streets and highways, public buildings, solid waste collection, parkway trees, street sweeping, and street lights;

WHEREAS, the health, safety, and comfort of this community greatly depends on these facilities and services; and

WHEREAS, the quality and effectiveness of these facilities, as well as their planning, design, and construction, is vitally dependent upon the efforts and skills of public works officials; and

WHEREAS, the efficiency of the qualified and dedicated personnel who staff public works and public services departments is materially influenced by the people's attitude and understanding of the importance of the work they perform; and

WHEREAS, this year's theme "***Because of Public Works...***", is about the quality of life brought to communities around the world (i.e., clean water, safe streets and neighborhoods, efficient traffic and safe clean communities, etc.) is the result of the never-ending effort and dedication of public works (or public services) professionals to their communities, the environment and the residents that they serve and the communities they work and live in.

NOW, THEREFORE, the City Council of the City of Commerce, California, does hereby designate May 19 – May 25, 2013, as:

"NATIONAL PUBLIC WORKS WEEK"

in the City of Commerce and urge all citizens and civic organizations to acquaint themselves with the issues involved in providing public services and to recognize the contributions that our public services professionals make every day to our health, safety and quality of life.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2013.

Joe Aguilar
Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk



AGENDA REPORT

DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: PAGEANT STEERING COMMITTEE

RECOMMENDATION:

This item was agendized at the request of Councilmember Robles to determine the feasibility of converting the Pageant Steering Committee into a commission. The Pageant Steering Committee recommends leaving the body as a committee, and staff concurs with this recommendation.

MOTION:

Approve the recommendation.

BACKGROUND:

At its meeting of April 2, 2013, Councilmember Robles asked staff to study the feasibility of converting the Pageant Steering Committee into a formal City commission and to agendize this item for discussion at a future Council meeting.

ANALYSIS:

Historically, the Pageant Steering Committee was comprised of the spouses of Councilmembers until recent years, when Councilmembers began appointing residents to the body. Throughout its history, the Pageant Steering Committee's primary function has been to provide guidance to staff regarding the nature of the annual Miss Commerce Pageant. In recent years, the Committee's role has expanded to include input into year round Miss Commerce activities, such as various appearances, excursions, and volunteer experiences.

At its meeting of April 23, 2013, the Pageant Steering Committee discussed the pros and cons of becoming a full City commission. After discussing the matter, the group voted 4-1 to remain a committee and not to become a commission. In the discussion, the group noted that it enjoys its informal status and ability to meet as needed, without having to agendize items for discussion or schedule formal meetings. In addition, one member of the Committee sits on another City commission and would need to resign one of her positions if the group voted to become a formal commission, since residents are only permitted to sit on one City commission at a time. The group also noted that there may be sensitive topics that would be difficult to discuss as a commission at public meetings (i.e. participant questions for the pageant, essay topics for scholarship applications, eligibility criteria, the identity of judges, etc.).

If the group remains a committee, all members will continue to receive business cards, jackets, and a tote bag, which is commensurate with the items that are provided to commissioners. As members of a City Committee, the group is not eligible to receive a monthly stipend for their attendance at monthly meetings.

FISCAL IMPACT:

If Council follows staff's recommendation not to covert the Pageant Steering Committee to a commission, there is no fiscal impact, as funds to support the committee are already included in the existing Miss Commerce budget allocation. Converting the Pageant Steering Committee to a commission would require a new budget allocation of \$2,500, with most of the funds used to pay monthly stipends (\$2,400).

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to Council's strategic goal addressing staff development. The Pageant Steering Committee is charged with providing input into annual Miss Commerce activities and Council must determine if the group can be most effective as a committee or a formal commission.

Recommended by:


Scott Wasserman
Director of Parks & 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

DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: LETTER FROM THE COMMERCE CITY COUNCIL IN SUPPORT OF THE LOS ANGELES COUNTY COMMUNITY DEVELOPMENT COMMISSION'S REQUEST TO THE HOUSE AND SENATE APPROPRIATIONS LEADERSHIP REQUESTING THE HIGHEST POSSIBLE LEVEL OF FUNDING FOR THE TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT AND RELATED AGENCIES (THUD) SUBCOMMITTEE

RECOMMENDATION:

Approve the letter and authorize the Mayor to execute said letter on behalf of the City of Commerce.

MOTION:

Move to approve recommendation.

BACKGROUND/ANALYSIS:

The City of Commerce is a participant city in the Los Angeles County's "small cities block grant program" that distributes federal community development block grant funds (CDBG) to participating agencies.

Last year, the Los Angeles County Community Development Commission (CDC) signed onto a letter, addressed to the House and Senate Appropriations leadership, requesting the highest possible level of funding for the Transportation, Housing and Urban Development, and Related Agencies (THUD) Subcommittee. This committee annually sets the levels of funding for programs such as Community Development Block Grant Funds (CDBG) and HOME funds. The letter received the support of over 1,700 national, state, and local organizations; and sent a strong message to Congress about the need for these programs in our communities.

A similar letter is now being circulated for Federal Fiscal Year (FY) 2014. As such, the City has been requested to join the CDC (and thousands of organizations across the nation) in signing onto it this year. Preservation and enhancement of these important federal funding sources is even more critical now given the recent sequestration measures undertaken by the Federal government. The attached letter has been prepared indicating the City's support for maintaining the program funding.

FISCAL IMPACT:

This item will serve to underscore the importance of maintaining and (where possible) increasing federal funding sources for the CDBG and Home Fund program for the City of Commerce. These activities are carried out with the Federal CDBG funds and do not impact the City's General Fund.

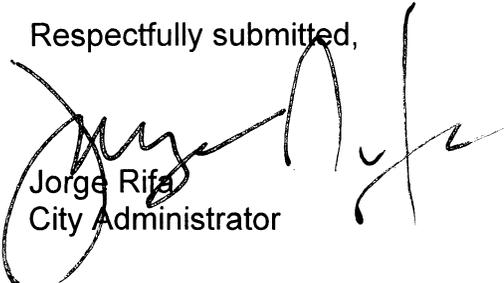
RELATIONSHIP TO STRATEGIC GOALS:

The agenda report is in furtherance of Council's strategic goal to *"Protect and Enhance Quality of Life in the City of Commerce."* The City's ability to utilize other funding sources is an effective and efficient way to improve the quality of life for residents.

Recommended by:


Alex Hamilton
Assistant 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



CITY OF COMMERCE

Joe Aguilar
Mayor

Lilia R. Leon
Mayor Pro Tem

Tina Baca Del Rio
Councilmember

Ivan Altamirano
Councilmember

Denise M. Robles
Councilmember

May 7, 2013

The Honorable Barbara Mikulski
Chair
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

The Honorable Harold Rogers
Chair
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20510

The Honorable Richard Shelby
Ranking Member
Committee on Appropriations
U.S. Senate
Washington, D.C. 20515

The Honorable Nita Lowey
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Chair Mikulski, Ranking Member Shelby, Chair Rogers, and Ranking Member Lowey:

The City of Commerce is a participant city in the Los Angeles County's Community Development Commission (LACDC) "small cities block grant program" that distributes federal Community Development Block Grant (CDBG) funds to participating agencies. These funds have been very useful to the City for the preservation and maintenance of important programs benefiting our low to moderate income residents.

The City of Commerce supports the LACDC's effort addressed to the House and Senate Appropriations leadership, requesting the highest possible level of funding for the Transportation, Housing and Urban Development, and Related Agencies (THUD) Subcommittee. The City believes that it is critical to preserve and where possible enhance these vital funding sources for both Community Development Block Grant and Home Funds.

Thank you for your consideration.

Sincerely,

Joe Aguilar, Mayor

cc: Congresswoman Lucille Roybal-Allard
Assemblymember Christina Garcia
Terry Gonzalez, Director of CDBG & Construction Management Divisions-LACDC



AGENDA REPORT

MEETING DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: PROPOSED AMENDMENT TO THE PERSONNEL CLASSIFICATION AND COMPENSATION PLAN TO ADD SPECIAL ASSISTANT TO CITY ADMINISTRATOR

RECOMMENDATION:

City staff is recommending the City Council amend the Classification and Compensation Plan to include a proposed job classification and salary schedule for Special Assistant to the City Administrator.

MOTION:

Move to approve the recommendation.

BACKGROUND:

The last four years of economic crisis and the resulting reduction of the City's workforce have presented a number of challenges. The Community Development Department is one of many City departments that are coping with increasing workloads. Many factors have contributed to the recent increase in activity including the adoption of Measure AA, dealing with issues regarding the loss of redevelopment, an aggressive capital improvement program and other pending environmental issues such as the storm sewer (MS4) permit for Los Angeles County.

In an effort to provide interim executive level staff support to the Community Development Department pending an executive recruitment for a Department Director, as well as providing needed assistance to the City Administrator with other projects of city-wide importance, staff is proposing establishing a temporary, part-time new position titled Special Assistant to the City Administrator (Attachment "A").

ANALYSIS:

Personnel Policy and Procedure's *Employee Positions* provides the procedure for implementing or revising the City of Commerce Classification Plan within the City's workforce. The position of Special Assistant to the City Administrator is being proposed at Pay Schedule 49 (\$90 per hour) and staff anticipates this position will be required to work approximately 20 to 25 hours per week. Additionally, due to the temporary nature of this position, it will be a non-benefitted position.

The creation of this temporary, part-time position will provide support for the Community Development Department during this transition period. It will also provide executive level support to the City Administrator during this critical time of organizing and implementing Measure AA processes.

FISCAL IMPACT/ALTERNATIVES:

Predicated on a six-month timeframe, the city's exposure could potentially be \$54,000, with the amount overlapping two fiscal years. Staff's recommendation would be to fund the temporary position out of fiscal year-end savings. Staff will return with a year-end cleanup report sometime in September with a more definitive amount that was necessary to fund said services.

Prepared by:



Michael A Casalou
Director of Human Resources

Respectfully submitted by,



Jorge Rifá
City Administrator

Fiscal Impact Reviewed by:



Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney

Enclosures:
Attachment "A"



City of Commerce

SPECIAL ASSISTANT TO CITY ADMINISTRATOR

Department: **Administration**

Class Code:

Revised Date: **April 2013**

FLSA Status:

Non-Exempt

GENERAL PURPOSE: Under general direction of the City Administrator, assists in coordinating and directing the activities and operations of the City; oversees and directs programs, functions and departments of the City as assigned by the City Administrator; performs responsible and complex administrative work including to direct or conduct special projects; coordinates activities with other City officials, departments, outside agencies, organizations, and the public; provides responsible and complex staff support to the City Council and City Administrator.

PRIMARY DUTIES AND RESPONSIBILITIES:

*The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification, only a representative summary of the primary duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- The Special Assistant to the City Administrator is responsible for assisting the City Administrator in the overall management of the City, including directing the activities of any assigned Departments/Offices within the City. This position serves as a member of the City's senior management team and provides advice and counsel to the City Administrator regarding strategic policy, City position, and problem solving issues relating to the assigned Departments/Offices and the City overall.
- Develops cooperative professional relationships with residential and industrial constituents and City contractors/vendors.

MINIMUM QUALIFICATIONS:

Education and Experience:

Bachelor's Degree in Business or Public Administration, or related field; AND seven year's municipal government management experience.

Required Licenses or Certifications:

- Must possess a valid California Driver's License.

Required Knowledge of:

- City organization, operations, policies and procedures.
- Principles and practices of administrative management, including personnel rules, cost accounting, budgeting, contract management, and employee supervision.
- Applicable state and Federal statutes, rules, codes and regulations including federal/state legislative processes.
- Duties, powers, authorities and limitations of a municipal manager.
- Legal, ethical and professional rules of conduct for public sector employees.
- Current political and economic trends in state and Federal government.
- Techniques and methods for long-range strategic and financial planning.

Special Assistant to City Administrator

Required Skill in:

- Creating a harmonious work environment that fosters teamwork, creativity, a spirit of service, and a high standard of ethics.
- Analyzing complex administrative and operational data and issues, interpreting laws and regulations, evaluating alternatives, and implementing changes based on findings.
- Assuming executive-level responsibilities and making appropriate decisions, while assuring compliance with City goals and objectives.
- Developing and implementing long-range fiscal and operational plans.
- Investigating, analyzing and resolving complex and sensitive issues and complaints.
- Exercising controlled discretion and mediating difficult situations.
- Assuring the City's compliance with all laws, regulations, and rules.
- Managing staff, delegating tasks and authority, and coaching to improve staff performance.
- Assessing and prioritizing multiple tasks, projects and demands.
- Operating a personal computer utilizing standard and specialized software.
- Establishing and maintaining effective working relationships with other City employees, public officials, government agency representatives, and the public.
- Effective verbal and written communication.

Physical Demands / Work Environment:

- The majority of the work is performed in a standard office environment with field visits as required.



AGENDA REPORT

MEETING DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL
 FROM: CITY ADMINISTRATOR
 SUBJECT: FISCAL YEAR 2012/13 CAPITAL IMPROVEMENT PROGRAM UPDATE

RECOMMENDATION:

Consider for receipt and filing, and take appropriate action as deemed necessary with respect to the status report on the FY 2012/13 Capital Improvement Program.

MOTION:

Move to approve recommendation.

BACKGROUND/ANALYSIS:

On June 19, 2012, the City Council approved the Fiscal Year 2012/13 Capital Improvement Program Budget. The approved budget includes 4 transportation-related projects and 18 general fund related projects as shown on Table 1 & Table 2.

TABLE 1 – TRANSPORTATION & SPECIAL PROJECT FUNDS APPROVED PROJECTS

Project Consultant (Mobility Advancement)	\$ 45,000
Commerce MetroLink Station Improvement	\$ 250,000
Replace Bus Washer	\$ 317,467
Telegraph Road Street Improvement (MTA Measure R)	\$2,004,000
TOTAL	\$2,616,467

TABLE 2 – GENERAL FUNDS & OTHER SOURCES APPROVED PROJECTS

Street Reconstruction (Rosini Residential)	\$ 2,000,000
Street Reconstruction (Bristow Residential / East of I-710 FWY)	\$ 805,000
Safe Route to School (Cycle 7)	\$ 57,210
Railroad Crossing Improvements (HSIP Cycle 4 Grant)	\$ 56,000
Resident Card System and Services Tracking Program	\$ 113,000
Camp Commerce Water Line Improvements	\$ 130,000
Camp Commerce Driveway Improvements	\$ 40,000
Geotechnical Analysis Camp Commerce Snow Drop	\$ 30,000
Supplemental Filtration and Replastering (Small Pool)	\$ 150,000
Emergency System Upgrade	\$ 30,000
Emergency Dispenser/Fuel Line	\$ 65,000
City Hall Security/Electronic Card System	\$ 100,000
Teen Center Improvements	\$ 100,000
Municipal Code Update	\$ 45,000
Greenwood Library Improvements	\$ 28,300
Construction Management Services (Swinerton)	\$ 146,827
Engineering Services (Transtech)	\$ 63,000
Project Consultant (Tierra West)	\$ 87,000
TOTAL	\$4,046,969

Staff continues to work diligently on the implementation of this year's Capital Improvement Program. Below find information on projects with significant changes/accomplishments:

- ***PAINT TRANSPORTATION DEPARTMENT BUILDING:***
Purpose is to paint the interior of the garage at the Transportation Services Center, using savings from Phase I (painting of interior and exterior building and offices). Public Services and Transportation staff coordinated, monitored, and inspected the contractor's work. Work was completed on April 11, 2013.
- ***STREET RECONSTRUCTION (BRISTOW RESIDENTIAL):***
Purpose is to perform pavement and sidewalk repairs in the Bristow Neighborhood, between the I-710 Freeway and Bristow Park. The streets that will be affected are Triggs St, Dunham St, Noakes St, McDonnell Ave, Mc Bride Ave, and Duncan Ave. The plans and specifications call for cement treatment of the soil (for added strength) and reconstruction of the roadway. At this time, the project IS underway. The contractor has completed 95% of all concrete work and about 60% of the street reconstruction work. Additional public outreach was conducted to inform residents of the project status and upcoming work activities. Construction began on April 8, 2013 and is tentatively scheduled to end on May 22, 2013.
- ***SAFE ROUTE TO SCHOOL (CYCLE 7):***
Purpose is to perform various pavements, sidewalk and other improvements (new lighted crosswalks, speed feedback signs, new ladder crosswalks, etc) near Rosewood Park School and Bandini School in order to enhance the safety of students attending these schools. The contractor began work on March 26, 2013 and is tentatively scheduled to complete all work by May 24, 2013, weather permitting. The contractor has installed lighted crosswalk on Harbor St, Commerce Way and Coutts Ave. He has also installed feedback signs on Harbor St, Eastern Ave and Coutts Ave. An additional feedback sign will also be installed on Atlantic Blvd.
- ***WASHINGTON BLVD MAJOR IMPROVEMENT (WIDENING & RECONSTRUCTION):***
Purpose is to reconstruct with concrete all pavement surfaces, repair sidewalks, add a 3rd lane in each direction (to improve traffic flow), relocate all utilities and catch basins, add landscape medians, add way-finding signs (to assist motorist locate places of interest), enhance turning radius at all intersections, add curbs cuts (or ADA ramps), install new traffic signals (with audible sound for ADA compliance), install LED street lights, and improve the overall appearance of this major roadway in Commerce. Currently, the engineer is preparing the plans and specifications and designing all aspects of the project. As series of Public Outreach meetings will be scheduled within the next couple of months with all stakeholders (civic leaders, businesses and residents). On March 26, 2013, staff and the engineers conducted a project workshop with City Council. On April 15, 2013, staff submitted for Caltrans approval a fund allocation plan, which has been approved and submitted to their Sacramento headquarters for final approval. The plans and specifications are scheduled to be completed by late May 2013. Construction is tentatively scheduled to begin in the Spring of 2014.
- ***RENOVATION OF THE CENTRAL LIBRARY:***
Purpose is to modernize and upgrade the Central Library, especially the public area. Staff is reviewing latest design documents and cost estimate. Revised Plans, Specifications & Engineering (PS&E) will be re-submitted for a final plan check and approval by mid May. A project presentation to City Council is planned May 21st. Final PS&E are also scheduled for City Council approval and advertisement of construction bids on June 04, 2013. Award of construction contract is scheduled for August; with construction starting in September 2013.

- **EMERGENCY OPERATION CENTER CONSTRUCTION (EOC GRANT):**
Purpose is to construct a stand-alone Emergency Operations Center that will support the coordination and oversight of emergency response in Commerce. The project is approximately 23 days behind schedule. The contractor has been placed on notice and was requested to provide a recovery plan. The installation of framing and “rough-in” for electrical / plumbing is complete. Site utilities (water and sewer) are complete. Installation of exterior sheet metal and interior drywall is underway. The building fire sprinkler system is complete and has been approved by LA County Fire. Installation of exterior stucco will begin in early May. An emergency generator is scheduled for delivery and installation on May 24th. Construction is scheduled to be completed by late June 2013.

FISCAL IMPACT:

The proposed activities can be carried out at this time without additional impact on the current operating budget, as funding for this activity has been approved and included in the FY 2012/13 Capital Improvement Program Budget.

RELATIONSHIP TO 2012 STRATEGIC GOALS:

The issue before the Council is applicable to the following Council’s strategic goal: “*Improve and maintain infrastructure and beautify our community*” as identified in the 2012 Strategic Plan.

Respectfully submitted,



Jorge Rifa
City Administrator

Prepared and recommended 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

File: 2012 City Council Agenda Reports
FY 2012/13 Capital Improvement Program – Agenda Reports



AGENDA REPORT

DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING A STANDARD CONTRACT WITH B R TREE SERVICE, FOR CITY PROJECT # 1302 FOREST CARE PROJECT AT CAMP COMMERCE

RECOMMENDATION:

That the City Council approve and adopt a resolution of the City of Commerce, California, approving a Standard Contract with B R Tree Service, for City Project No. 1302 Forest Care Project at Camp Commerce and assign the number next in order.

MOTION:

Move to approve the recommendations.

BACKGROUND:

At its meeting of September 4, 2012, the City Council approved an agreement with National Forest Association and authorized staff to solicit bids to have trees trimmed and thinned out at Camp Commerce in order to receive the yearly clearance letter from the San Bernardino County Fire Marshal. The National Forest Association operates the Forest Care program, through which the City of Commerce will be reimbursed for up to \$8,100 or 75% of the cost of trimming trees and thinning the forest (whichever is less). This is the last year of the program, as funds are drying up.

ANALYSIS:

Since, these services are better provided by local or nearby tree trimming companies in Lake Arrowhead that are familiar with the terrain, local ordinances and working with the National Forest Association; City staff received the following bids to complete the requested tree trimming at Camp Commerce:

- | | |
|--------------------------------|---------|
| 1) BR Tree Service | \$5,675 |
| 2) AA High Climbers | \$6,000 |
| 3) Mountain Tree Service | \$6,925 |
| 4) Arrowhead Enterprises, Inc. | \$9,700 |

Staff recommends awarding the contract to BR Tree Service. After careful examination, consideration and reference checks, staff has found that B R Tree Service submitted the lowest, responsible and responsive bid for providing the requested services.

FISCAL IMPACT:

If Council follows staff's recommendation and awards the contract to BR Tree Service, Forest Care will reimburse the City for \$4,256, leaving the City to pay only \$1,419. No additional funding allocation will be required.

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to Council's strategic goal of improving and maintaining infrastructure and beautifying the community.

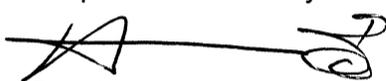
Recommended by:


Scott Wasserman
Director of Parks & Recreation

Respectfully Submitted,


Jorge Rifa
City Administrator

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 A CONTRACT WITH BR TREE SERVICE FOR CITY
PROJECT #1302 (FOREST CARE PROJECT) AT CAMP COMMERCE

WHEREAS, on September 4, 2012, the City Council approved an agreement with National Forest Association and authorized staff to solicit bids to have trees trimmed and thinned out at Camp Commerce in order to receive the yearly clearance letter from the San Bernardino County Fire Marshal; and

WHEREAS, City staff received the following bids to complete the requested tree trimming at Camp Commerce:

- | | |
|--------------------------------|---------|
| 1) BR Tree Service | \$5,675 |
| 2) AA High Climbers | \$6,000 |
| 3) Mountain Tree Service | \$6,925 |
| 4) Arrowhead Enterprises, Inc. | \$9,700 |

WHEREAS, BR Tree Service submitted the lowest, responsible and responsive bid for providing the requested service.

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

Section 1. The Services Agreement between the City of Commerce and BR Tree Services IS hereby approved. The Mayor is hereby authorized to execute the Agreement for and on behalf of the City of Commerce.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2013.

Joe Aguilar, Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk

THIS AGREEMENT (the "Agreement") dated as of May ____, 2013 (the "Effective Date") is made by and between BR Tree Service ("Contractor") and the City of Commerce, a municipal corporation (the "City").

RECITALS

WHEREAS, Contractor represents that it is specially trained, experienced and competent to perform the special services that will be required by this Agreement; and

WHEREAS, Contractor is willing to render such Services, as hereinafter defined, on the terms and conditions below.

AGREEMENT

1. Scope of Services and Schedule of Performance.

Contractor shall perform the services (the "Services") set forth in Exhibit "A," which is attached hereto and incorporated herein by this reference, in accordance with the schedule set forth therein.

2. Term.

Except as otherwise provided by Section 18 hereof, the term of this Agreement shall be for a period commencing on the Effective Date until the completion by Contractor of all the Services, to the satisfaction of the City.

3. Compensation.

So long as Contractor is discharging its obligations in conformance with the terms of this Agreement, Contractor shall be paid a fee by the City in accordance with the fee schedule set forth in Exhibit A and with the other terms of this Agreement. The fees payable hereunder shall be subject to any withholding required by law.

Such fees shall be payable following receipt of an itemized invoice for services rendered. Contractor shall send and address its bill for fees, expenses, and costs to the City to the attention of the City Administrator. The City shall pay the full amount of such invoice; provided, however, that if the City or its City Administrator object to any portion of an invoice, the City shall notify Contractor of the City's objection and the grounds therefore within thirty (30) days of the date of receipt of the invoice; the parties shall immediately make every effort to settle the disputed portion of the invoice.

4. Financial Records.

Contractor shall maintain complete and accurate records with respect to fees and costs incurred under this Agreement. All such records shall be maintained on a generally accepted accounting basis and be clearly identified and readily accessible. Contractor shall keep, maintain and provide free access to such books and records to examine and audit the same, and

to make transcripts thereof as necessary, and to allow inspection of all work data, documents, proceedings and activities related to this Agreement for a period of three years from the date of final payments under this Agreement. All accounting records shall readily provide a breakdown of fees and costs charged to this Agreement.

5. Independent Contractor.

Contractor is and shall perform its services under this Agreement as a wholly independent contractor. Contractor shall not act nor be deemed an agent, employee, officer or legal representative of the City. Contractor shall not at any time or in any manner represent that it or any of its agents, employees, officers or legal representatives are in any manner agents, employees, officers or legal representatives of the City. Contractor has no authority to assume or create any commitment or obligations on behalf of the City or bind the City in any respect. This Agreement is not intended to and does not create the relationship of partnership, joint venture or association between the City and Contractor. None of the foregoing shall affect any privilege or protection against disclosure which applies to the services Contractor undertakes under this Agreement.

6. Contractor to Provide Required Personnel; Subcontracting.

Contractor shall provide and direct the necessary qualified personnel to perform the Services required of, and from, it pursuant to the express and implied terms hereof, with the degree of skill and judgment normally exercised by recognized professional firms performing services of a similar nature at the time the Services are rendered, and to the reasonable satisfaction of the City.

Contractor may not have a subcontractor perform any Services except for the subcontractors identified in Exhibit "A" as such. Such identified subcontractors shall perform only those Services identified in Exhibit "A" as to be performed by such subcontractor. All labor, materials, fees and costs of such identified subcontractors shall be paid exclusively by Contractor. No subcontractors may be substituted for any of the identified subcontractors except with the prior written approval of the City Administrator.

7. Responsible Principal and Project Manager.

Contractor shall have a Responsible Principal and a Project Manager who shall be principally responsible for Contractor obligations under this Agreement and who shall serve as principal liaison between the City and Contractor. Designation of another Responsible Principal or Project Manager by Contractor shall not be made without the prior written consent of the City. The names of the Responsible Principal and the Project Manager are listed in Exhibit "A."

8. City Liaison.

Contractor shall direct all communications to the City Administrator or his designee. All communications, instructions and directions on the part of the City shall be communicated exclusively through the City Administrator or his designee.

9. Licenses.

Contractor warrants that it and its employees have obtained all valid licenses and/or certifications generally required of professionals providing services such as the Services, by all applicable regulating governmental agencies, and are in good standing with such applicable regulating governmental agencies.

10. Compliance with Laws.

Contractor shall, and shall ensure that its employees and its subcontractors, if any, comply with all applicable city, county, state, and federal laws and regulations (including occupational safety and environmental laws and regulations) in performing the Services and shall comply with any directions of governmental agencies and the City relating to safety, security, and the like.

11. Insurance.

Contractor shall maintain insurance and provide evidence thereof as required by Exhibit "B" hereto (the "Required Insurance") which is attached hereto and incorporated herein by this reference, for the term provided herein.

12. Warranty and Liability.

Contractor warrants that the Services provided under this Agreement will be performed with the degree of skill and judgment normally exercised by recognized professionals performing services of a similar nature at the time the services were rendered. Contractor shall be liable for injury or loss caused by the negligence of, or breach of this warranty by Contractor, its employees, its subcontractors, if any, and/or its agents hereunder. This warranty survives the completion and/or termination of this Agreement.

13. Indemnification.

Contractor shall indemnify and hold the City and their respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses the City and their respective officials, officers, agents and employees hereafter may suffer in connection with any claim, action, or right of action (at law or in equity) because of any injury (including death) or damage to person or property proximately caused by any negligent acts, errors, or omissions by Contractor, its employees, its subcontractors or its agents in the performance of the Services hereunder. Contractor shall not be liable to the extent that any liability, loss, damage, cost, and expense is caused solely from an act of negligence or willful misconduct by the City or its respective officials, officers, employees or agents. Upon demand, Contractor shall promptly provide a defense to such claims, actions or right of action (at law or equity) and shall promptly pay for all associated and resulting costs, damages, settlements, penalties, judgments, fees and expenses, including attorneys' fees and costs.

14. Data and Services to be Furnished by the City.

All information, data, records, reports and maps as are in possession of the City, and necessary for the carrying out of this work, shall be made available to Contractor without charge. The City shall make available to Contractor, members of the City's staff for consultation with Contractor in the performance of this Agreement. The City does not warrant that the information data, records, reports and maps heretofore to be provided to Contractor are complete or accurate; Contractor shall satisfy itself as to such accuracy and completeness. The City and Contractor agree that the City shall have no liability should any of the information, data, records, reports, and maps be inaccurate, incomplete or misleading.

15. Covenant against Contingent Fees.

Contractor warrants that it has not employed or retained any company or person to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person any fee, City or percentage from the award or making of this Agreement, except for subcontractors listed in this Agreement. For breach or violation of this warranty, the City shall have the right, among other available legal remedies, to terminate this Agreement without liability, or in its discretion, to deduct from the consideration payable to Contractor, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

16. Conflict of Interest.

Contractor covenants that neither it nor any officer or principal of its firm have any interests, nor shall they acquire any interest, directly or indirectly which will conflict in any manner or degree with the performance under this Agreement. Contractor further warrants its compliance with the Political Reform Act (Government Code § 81000, *et seq.*) and all other laws, respecting this Agreement and that no Services shall be performed by either an employee, agent, or a subcontractor of Contractor, who has a conflict relating to the City or the performance of Services on behalf of the City.

17. Other Agreements.

Contractor warrants that it is not a party to any other existing agreement that would prevent Contractor from entering into this Agreement or that would adversely affect Contractor's ability to perform the Services under this Agreement. During the term of this Agreement, Contractor shall not, without City's prior written consent, perform services for any person, firm, or corporation other than City if such services could lead to a conflict with Contractor's obligations under this Agreement.

18. Termination.

This Agreement may be terminated, prior to the expiration of its term, only in the following manner:

- a. by the written mutual agreement of the parties hereto; or

- b. by the City, with or without cause, upon 5 days written notice to Contractor pursuant to Section 23 of this Agreement.

Upon receipt of a notice of termination, Contractor shall immediately cease all work and promptly deliver to the City the work product or other results obtained by Contractor up to that time. In the event of termination without cause by the City, the City shall pay Contractor for work completed prior to the date of such termination (based on the percentage of the overall work satisfactorily completed by Contractor in relation to the work required by the entire Agreement or the hours worked by Contractor, as applicable), provided such work is in a form usable by the City.

19. Waiver of Breach.

No waiver of any term, condition or covenant of this Agreement by the City shall occur unless signed by the City Administrator and such writing identifies the provision which is waived and the circumstances or period of time for which it is waived. Such waiver shall be for the specified period of time only and shall not apply to any subsequent breach. In addition, such waiver shall not constitute a waiver of any other term, condition or covenant of this Agreement nor shall it eliminate any remedies available to the City for any breaches of this Agreement which are not excused by such waiver. A delay in communicating a failure of Contractor to satisfy a term, condition or covenant in no way waives that term or any remedies available for its breach.

20. Assignment.

Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by Contractor, nor shall this Agreement inure to the benefit of any trustee in bankruptcy, receiver, or creditor or Contractor, whether by operation of law or otherwise, without the prior written consent of the City which may be withheld in its sole discretion. Any attempt to so assign or transfer this Agreement or any rights or obligations hereunder without such consent shall be void and of no effect.

21. Arbitration.

If any dispute arises out of or relates to this Agreement, or the breach thereof, and if such a dispute cannot be settled through direct discussions, the parties agree to settle any disputes involving only monetary amounts less than \$100,000 by binding arbitration pursuant to the rules of the American Arbitration Association by an arbitrator sitting in Los Angeles County.

22. Attorneys' Fees.

In the event an arbitration or a judicial proceeding is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

23. Notices.

Notices provided hereunder shall be delivered by certified First Class U.S. Mail, postage prepaid, or by personal service as required in judicial proceedings, directed to the address provided below:

For the City:

City of Commerce
2535 Commerce Way
Commerce, California 90040
Attn: City Administrator

For Contractor:

BR Tree Service
PO Box 592
Twin Peaks, CA 92391
Attn: Brian Linden, Owner/Operator

Notice shall be deemed received three days after its mailing to the above address or upon actual receipt as indicated by return receipt, whichever is earlier. Personal service shall be deemed received the same day personal delivery is effected.

24. Governing Law.

The validity, performance and construction of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California applicable to contracts made to be performed therein. Any litigation commenced by either party to this Agreement shall be venued in Los Angeles County, California.

25. Severability.

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

26. No Construction of Agreement against any Party.

Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, it shall not be construed against any party on the basis such party drafted this Agreement or any provision thereof.

27. Entire Agreement and Amendments to Agreement.

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous communications, negotiations, and agreements, whether oral or written, between the parties with respect to such subject matter, and no addition to or modification of this Agreement or waiver of any provisions of this Agreement shall be binding on either party unless made in writing and executed by Contractor and the City.

28. No Representations Except as Expressly Stated in this Agreement.

Except as expressly stated in this Agreement, no party, nor its employees, agents or attorneys have made any statement or representation to any other party or its employees, agents or attorneys regarding any fact relied upon in entering into this Agreement, and each party does not rely upon any statement, representation and/or promise of any other party, its respective employees, agents or attorneys in executing this Agreement.

29. Counterpart Signatures.

This Agreement may be executed in one or more counterparts. When this Agreement has been properly signed by an authorized representative of each of the parties hereto, it shall constitute a valid Agreement, though each of the signatories may have executed separate counterparts hereof.

IN WITNESS WHEREOF, the parties hereto have each executed or caused to be executed this Agreement as of the Effective Date.

CITY OF COMMERCE

DATED: __, 2013

By: _____
Joe Aguilar, Mayor

ATTEST:

Linda K. Olivieri, City Clerk

CONTRACTOR

DATED: __, 2013

By:  _____
Brian Linden, Owner/Operator, BR Trees

APPROVED AS TO FORM

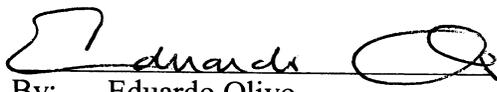

By: Eduardo Olivo
Title: City Attorney

EXHIBIT A

SCOPE OF SERVICES

BR Tree Service will cut and remove all designated trees 12" DBH or less. Prune all residual trees and brush to Forest Care standards. Chip/remove all slash and debris. All work to comply with California Forest Practice Rules. Total = \$5,675.00

Cut and remove one pine tree designated by Camp Maintenance Specialist Jeremy Stetson. Trim Branches to create a 8 ft. roof clearance. To comply with County fire code. Remove all slash and debris. Total = No charge.

EXHIBIT B

REQUIRED INSURANCE

On or before beginning any of the Services called for by any term of this Agreement, Contractor, at its own cost and expense, shall carry, maintain for the duration of this Agreement, and provide proof thereof that is acceptable to the City of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to the City. Contractor shall not allow any subcontractor to commence work on any subcontract under this Agreement until all insurance required of Contractor have also been obtained for the or by the subcontractor. Such insurance shall not be in derogation of Contractor's obligations to provide indemnity under Section 13 of this Agreement.

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 \$500,000 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 Agreement 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 Agreement, 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 Agreement by Contractor or any subcontractor.

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 Agreement. An endorsement to

this effect shall be delivered to the City prior to the commencement of any work. Satisfaction of any deductible requirement shall be the responsibility of Contractor.

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 City of Commerce 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 the 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 the 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 the City.

10. Evidence of Insurance and Claims.

The City shall have the right to hold the policies and policy renewals, and Contractor shall promptly furnish to the City all renewal notices and all receipts of paid premiums. In the event of loss, Contractor shall give prompt notice to the insurance carrier and the City. The City may make proof of loss if not made promptly by Contractor.



AGENDA REPORT

DATE: May 7, 2013

TO: Honorable Successor Agency

FROM: City Administrator

SUBJECT: A Resolution of the Successor Agency to the Commerce Community Development Commission Approving a Purchase and Sale Agreement Between the Successor Agency and Costco Wholesale Corporation

RECOMMENDATION:

Adopt the Resolution approving a Purchase and Sale agreement between the Successor Agency and Costco Wholesale Corporation and assign the number next in order.

BACKGROUND:

The Commerce Community Development Commission (the "Commission") had acquired certain real property within the area covered by the City of Commerce Specific Plan No. 4 comprised of approximately 13.5 acres of land at the northeast corner of Washington Boulevard and Telegraph Road (collectively, the "Square Block") situated in the City of Commerce, County of Los Angeles, State of California. The Square Block was then subdivided and comprised the "Costco Main Parcel," the "Costco Fueling Parcel" (collectively, the "Costco Parcels"), the "McDonald's Parcel" and the "Satellite Parcel." The Satellite Parcel is located at Former Firestone No. 7182 (Priority A-2 Site), 6300 East Washington Boulevard, Commerce, California.

On March 18, 2008, the Commission and Costco entered into a Disposition and Development Agreement ("DDA") in order to develop the Costco Parcels and to provide for the possible future development of the Satellite Parcel, a parcel comprising of approximately .97 acres designated as Parcel 4 of the Redevelopment Parcel Map and by such name on the Redevelopment Site Map.

Pursuant to Section 16.3 of the DDA, the Commission and Costco acknowledged the existence of soils located on the Satellite Parcel, and underlying groundwater, that were contaminated with hydrocarbons, (predominantly gasoline-range, and including volatile organic compounds [VOCs] and other related substances), and that the Los Angeles Regional Water Quality Control Board ("LARWQCB") or California Department of Toxic Substance Control ("Environmental Agency") had primary jurisdiction over the remediation of such contamination (together with any other agency with jurisdiction the "Environmental Agency"). The Commission agreed to develop and complete a remediation plan for the clean-up of hydrocarbon-containing soil and groundwater that would comply with Environmental Agency's requirements regarding the contamination and to then obtain the issuance by the Environmental Agency.

Pursuant to Section 24.1 of the DDA, the Commission provided Costco with the exclusive right and option to purchase the Satellite Parcel once the Commission completed the remediation of the site and received the No-Action letter from the Environmental Agency.

On June 15, 2011, the California Legislature approved Assembly Bill X1 26, which terminated redevelopment agencies throughout the state, including the Commission and provided for the establishment of successor agencies to administer the

“enforceable obligations” of the redevelopment agencies. On January 17, 2012, the City of Commerce became the Successor Agency to the Commission.

Health & Safety Code §34171 (5) defines an “enforceable obligation” to include: “Any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.”

On July 2, 2012, the Successor Agency received a No-Further Action Letter from the Department of Toxic Substances and Control.

On August 1, 2012, the Successor Agency notified Costco of the receipt of the No-Further Action Letter. On December 26, 2012, Costco timely exercised the option to purchase the Satellite Parcel pursuant to Section 24.1 of the DDA.

ANALYSIS:

Pursuant to the Purchase and Sale Agreement, Costco will pay the sum of One Million Dollars (\$1,000,000) as consideration for the Satellite Parcel. The transaction is scheduled to close no later than Friday, June 28, 2013.

FISCAL IMPACT:

There is no fiscal impact associated with this agenda item.

Fiscal Impact Reviewed by:


Vilko Domic
Finance Director

Recommended by,


Jorge Rifa
City Administrator

Approved As To Form:


Eduardo Olivo
Agency Counsel

RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE SUCCESSOR AGENCY AND COSTCO WHOLESALE CORPORATION

WHEREAS, the Commerce Community Development Commission (the "Commission") had acquired certain real property within the area covered by the City of Commerce Specific Plan No. 4 comprised of approximately 13.5 acres of land at the northeast corner of Washington Boulevard and Telegraph Road (collectively, the "Square Block") situated in the City of Commerce, County of Los Angeles, State of California. The Square Block was then subdivided and comprised the "Costco Main Parcel," the "Costco Fueling Parcel" (collectively, the "Costco Parcels"), the "McDonald's Parcel" and the "Satellite Parcel"; and

WHEREAS, the Satellite Parcel is located at former Firestone No. 7182 (Priority A-2 Site), 6300 East Washington Boulevard, Commerce, California; and

WHEREAS, on March 18, 2008, the Commission and Costco entered into a Disposition and Development Agreement ("DDA") in order to develop the Costco Parcels and to provide for the possible future development of the Satellite Parcel, a parcel comprising of approximately .97 acres; and

WHEREAS, pursuant to Section 16.3 of the DDA, the Commission and Buyer acknowledged the existence of soils located on the Satellite Parcel, and underlying groundwater, that were contaminated with hydrocarbons. The Commission agreed to develop and complete a remediation plan for the clean-up of hydrocarbon-containing soil and groundwater that would comply with requirements regarding the contamination and to then obtain the issuance of a No-Action letter from the environmental agencies with jurisdiction over the clean-up; and

WHEREAS, pursuant to Section 24.1 of the DDA, the Commission provided Costco with the exclusive right and option to purchase the Satellite Parcel once the Commission completed the remediation of the site and received the No-Action letter; and

WHEREAS, on June 15, 2011, the California Legislature approved Assembly Bill X1 26, which terminated redevelopment agencies throughout the state, including the Commission and provided for the establishment of successor agencies to administer the "enforceable obligations" of the redevelopment agencies; and

WHEREAS, on January 17, 2012, the City of Commerce became the Successor Agency to the Commission ("Successor Agency"); and

WHEREAS, Health & Safety Code §34171 (5) defines an "enforceable obligation" to include: "Any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy"; and

WHEREAS, on July 2, 2012, the Successor Agency received a No-Further Action Letter from the Department of Toxic Substances and Control; and

WHEREAS, on August 1, 2012, the Successor Agency notified Costco of the receipt of the No-Further Action Letter. On December 26, 2012, Costco timely exercised the option to purchase the Satellite Parcel pursuant to Section 24.1 of the DDA.

NOW, THEREFORE, THE SUCCESSOR AGENCY DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Commerce, in its capacity as the Successor Agency to the Commerce Community Development Commission hereby finds and determines that the recitals set forth above are true and correct.

Agenda Report - Resolution Approving a Purchase and Sale Agreement Between the
Successor Agency and Costco Wholesale Corporation

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Section 2. The Agreement to Purchase and Sell Real Estate and Escrow Instructions between the Successor Agency and Costco Wholesale Corporation is hereby approved. The Chairperson is hereby authorized to execute the Agreement to Purchase and Sell Real Estate and Escrow Instructions for and on behalf of the Successor Agency.

Section 3. The Successor Agency's Secretary shall certify to the adoption of this Resolution and thereupon and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2013.

Joe Aguilar
Chairperson

ATTEST:

Linda Kay Olivieri, MMC
Secretary

**AGREEMENT TO PURCHASE AND SELL REAL ESTATE
AND ESCROW INSTRUCTIONS**

THIS AGREEMENT TO PURCHASE AND SELL REAL ESTATE (this "Agreement") is made, entered into and executed in duplicate originals, either copy of which may be considered and used as the original hereof for all purposes, as of this **April 26, 2013** (the "Effective Date"), and is entered into by and between the City of Commerce, as the Successor Agency to the Commerce Community Development Commission ("Successor Agency" or "Seller"), and Costco Wholesale Corporation, a Washington Corporation ("Buyer").

RECITALS

WHEREAS, the Commerce Community Development Commission (the "Commission") had acquired certain real property within the area covered by the City of Commerce Specific Plan No. 4 comprising of approximately 13.5 acres of land at the northeast corner of Washington Boulevard and Telegraph Road (collectively, the "Square Block") situated in the City of Commerce, County of Los Angeles, State of California. The Square Block was then subdivided and comprised the "Costco Main Parcel," the "Costco Fueling Parcel" (collectively, the "Costco Parcels"), the "McDonald's Parcel" and the "Satellite Parcel" designated Parcels 1 through 4 respectively on the Redevelopment Parcel Map attached hereto as Exhibit "A" and as shown on the Redevelopment Site Map attached hereto as Exhibit "B". Exhibits "A" and "B" are attached hereto and incorporated herein by reference; and

WHEREAS, on March 18, 2008, the Commission and Buyer entered into a Disposition and Development Agreement (the "DDA") in order to develop the Costco Parcels and to provide for the possible future development of the Satellite Parcel, a parcel comprising approximately .97 acres designated as Parcel 4 on the Redevelopment Parcel Map and by such name on the Redevelopment Site Map; and

WHEREAS, pursuant to Section 16.3 of the DDA, the Commission and Buyer acknowledged the existence of soils located on the Satellite Parcel, and underlying groundwater, that were contaminated with hydrocarbons, (predominantly gasoline-range, and including volatile organic compounds [VOCs] and other related substances), and that the Los Angeles Regional Water Quality Control Board ("LARWQCB") or California Department of Toxic Substances Control ("Environmental Agency") had primary jurisdiction over the remediation of such contamination (together with any other agency with jurisdiction the "Environmental Agency"). The Commission agreed to develop and complete a remediation plan for the clean-up of hydrocarbon-containing soil and groundwater that would comply with Environmental Agency's requirements regarding the contamination and to then obtain the issuance by the Environmental Agency; and

WHEREAS, pursuant to Section 24.1 of the DDA, the Commission provided Costco with the exclusive right and option to purchase the Satellite Parcel once the Commission completed the remediation of the site and received the No-Action Letter from the Environmental Agency; and WHEREAS, on June 15, 2011, the California Legislature approved Assembly Bill X1 26 ("AB 26"), which terminated redevelopment agencies throughout the state, including the

Commission, and provided for the establishment of successor agencies to administer the “enforceable obligations” of the redevelopment agencies; and

WHEREAS, on January 17, 2012, the City of Commerce became the Successor Agency to the Commission; and

WHEREAS, Health & Safety Code § 34171 (5) defines an “enforceable obligation” to include: “Any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy”; and

WHEREAS, on July 2, 2012, the Successor Agency received a No-Further Action Letter from the Department of Toxic Substances and Control; and

WHEREAS, on August 1, 2012, the Successor Agency notified Costco of the receipt of the No-Further Action Letter. On December 26, 2012, Costco timely exercised the option to purchase the Satellite Parcel pursuant to Section 24.1 of the DDA.

AGREEMENT

1. PROPERTY

Seller agrees to sell, transfer, and convey to Buyer, and Buyer agrees to purchase from Seller, upon the terms, provisions and conditions hereinafter set forth, all of Seller’s rights, interest, and title in and to Seller’s property commonly known as Satellite Parcel (as defined in the DDA) and more particularly described in the legal description attached hereto as Exhibit “C” and incorporated by reference (hereinafter, the “Property”).

2. PURCHASE PRICE

(a) The purchase price that the Seller agrees to accept for the Property and which Buyer agrees to pay therefor was established in Section 24.3 of the DDA in the sum of One Million Dollars and No Cents (\$1,000,000.00) (the “Purchase Price”). The Purchase Price shall be payable as follows: Concurrently with the execution of this Agreement, Buyer and Seller shall open an escrow (the “Escrow”) with the Escrow Agent (defined below). At the Closing (defined below), on the Closing Date, the Purchase Price shall be paid by Buyer in cash through Escrow.

(b) Earnest Money. In consideration of this Agreement and to bind this sale and secure the performance of Buyer hereunder, Buyer shall deposit with Escrow Agent upon execution of this Agreement by Buyer, the sum of One Hundred Thousand Dollars and No Cents (\$100,000.00), (the "Earnest Money"). Concurrently with the execution of this Agreement, Buyer and Seller shall open an escrow (the “Escrow”) with the Escrow Agent (defined below). Interest on the Earnest Money shall accrue for the benefit of, and shall be paid, together with the balance of the Earnest Money to the party entitled thereto in accordance with this Agreement (for application against the Purchase Price or returned to Buyer, as appropriate).

3. CONVEYANCE OF TITLE

At Closing, Seller shall convey by Grant Deed to Buyer marketable fee simple title to the Property free and clear of all recorded and unrecorded liens, encumbrances and defects, including assessments, leases and taxes, EXCEPT the "Permitted Exceptions" (as defined in the DDA).

4. FORM OF GRANT DEED

Seller shall convey the Property to Developer by a Grant Deed substantially in the form attached hereto as Exhibit "D."

5. ESCROW

Buyer and Seller shall open an escrow in accordance with this Agreement at Ticor Title Company, located at 21731 Ventura Boulevard, Suite 100, Woodland Hills, California 91634, (818) 449-3000, Attention: Mike Mahoney, or in his or her absence, another title officer at Ticor Title designated by Seller ("Escrow Agent"). This Agreement constitutes the joint escrow instructions of Buyer and Seller, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement.

6. ESCROW AGENT

Escrow Agent is authorized to:

- (a) Pay and charge the Seller:
 - (i) for any delinquent taxes;
 - (ii) for any penalties and interest thereon;
 - (iii) for any delinquent or non-delinquent assessments for bonds against the Property and for any amount necessary to place title in the condition necessary to satisfy Section 3 of this Agreement;
 - (iv) for documentary transfer taxes applicable to the sale;
 - (v) for fifty percent (50%) of escrow fees; and
 - (vi) for an amount equal to the standard and extended premiums charged to the Title Company for a CLTA Title Policy with a face amount of insurance equal to the purchase price of the Property.

(b) Pay and charge the Buyer for fifty percent (50%) of escrow fees, as well as charges, and costs, except taxes.

(c) Disburse funds and deliver the Grant Deed when conditions of this escrow have been fulfilled by the Buyer and Seller.

7. [INTENTIONALLY OMITTED.]

8. TITLE INSURANCE POLICY

At Closing, Escrow Agent shall provide Buyer with a CLTA Extended Coverage Policy of Title Insurance in the full amount of the Purchase Price, issued by the Title Company showing title to the Property vested in Buyer, subject only to the Permitted Exceptions (as defined in the DDA). Seller agrees to pay the premium charged therefor.

9. ENVIRONMENTAL AND TITLE CONDITIONS

(a) Hazardous Materials. For purposes of this Agreement, the term "Hazardous Materials" means: (i) Substances that are toxic, corrosive, flammable or ignitable; (ii) petroleum products, crude oil (or any fraction thereof) and their derivatives; (iii) explosives, asbestos, radioactive materials, hazardous wastes, toxic substances or related hazardous materials; (iv) noxious fumes, vapors, soot or smoke; and (v) substances which now or in the future are defined or regulated by any Environmental Laws as "hazardous", "hazardous substances", "hazardous materials", "hazardous wastes", "reproductive toxins", "toxins", "toxic", "toxic substances", "contaminants", "contamination", "pollutants", "pollution", or otherwise, or are listed, regulated or addressed under any Environmental Laws. For purposes of this Agreement, the term "Environmental Laws" means: all laws pertaining to Hazardous Materials, including, without limitation the following laws: 15 U.S. Code Section 2601, et seq. (the Toxic Substances Control Act); 33 U.S. Code Section 1251, et. seq. (the Clean Water Act); 42 U.S. Code Sections 6901, et. seq. (the Resource Conservation and Recovery Act); 42 U.S. Code Sections 7401, et. seq. (the Clean Air Act); 42 U.S. Code Sections 9601, et. seq. (the Comprehensive Environmental Response, Compensation and Liability Act); 49 U.S. Code Sections 1801, et. seq. (the Hazardous Materials Transportation Act); 33 U.S.C. sections 2701, et. seq. (the Oil Pollution Act); California Health & Safety Code ("H&S Code") Section 25100, et. seq. (Hazardous Waste Control); H&S Code Section 25300, et. seq. (the Hazardous Substance Account Act); H&S Code Section 25404 et. seq. (Unified Hazardous Waste and Hazardous Materials Management Regulatory Program); H&S Code Section 25531, et. seq. (Hazardous Materials Management); H&S Code section 25249.5, et. seq. (the California Safe Drinking Water and Toxic Enforcement Act); H&S Code section 25280, et. seq. (Underground Storage of Hazardous Substances); H&S Code 25170.1, et. seq. (the California Hazardous Waste Management Act); H&S Code section 25501, et. seq. (Hazardous Materials Response Plans and Inventory); H&S Code Section 18901 et. seq. (California Building Standards); California Water Code Section 13000, et. seq. (the Porter-Cologne Water Quality Control Act); California Fish and Game Code Sections 5650-5656; local fire codes; the regulations adopted and promulgated pursuant to such statutes, and any regulations adopted pursuant to such statutes after the Effective Date, as well as any subsequently enacted Federal or California statute relating to the use, or disposal of Hazardous

Materials, or to the Clean Up of air, surface waters, groundwater, soil or other media contaminated with such substances, together with the rules and regulations promulgated thereunder, and any and all formal or informal orders, decrees or requests from any public agency with regulatory authority over the Property.

(b) Buyer's Assessment. Beginning on the Effective Date and ending at 5:00 p.m. PST on the Closing Date (the "Assessment Period"), Seller will grant permission to Buyer and its agents to enter upon the Property, subject to reasonable notice to and approval by Seller, to visually inspect all aspects of the Property, including, without limitation, consistency with zoning and use limitations, the existence and availability of utility connections, surface and environmental conditions, compliance or consistency with permits, approvals, and to obtain all entitlements in connection with the Buyer's anticipated development of the Property. No invasive or subsurface testing of soil or groundwater at the Property may be conducted by Buyer without the express written consent of Seller, which may be subject to limitations or conditions at Seller's sole discretion. After conducting any assessment at or of the Property, Buyer, at its sole expense, shall restore the Property to the condition that it was in prior to such assessment, unless expressly permitted by Seller in writing. Buyer shall be solely responsible for all costs, fees, and liabilities associated with its investigation and review of the Property, and shall indemnify and hold harmless Seller from and against such costs, fees, and liabilities. All activities conducted by or on behalf of Buyer as part of Buyer's assessment shall be conducted in accordance with all applicable laws. Prior to any entry by Buyer or any Buyer Representatives onto the Property for the purposes of such inspections, Buyer shall provide to Seller evidence satisfactory to Seller that Buyer has in force adequate liability and worker's compensation insurance with coverage of not less than One Million Dollars (\$1,000,000.00), naming Seller as an additional insured, to protect Seller against any and Claim which may occur as a result of any activity of Buyer or Buyer's agent or representative on the Property. The foregoing shall not limit or release Buyer's indemnification obligations as otherwise set forth in this Agreement.

(c) Buyer shall furnish copies of all reports, including all data relating to the Property, to Seller at Buyer's expense. Seller acknowledges and agrees that in the course of Buyer's investigation, Buyer and/or its agents may contact other parties, including without limitation, other governmental agencies, to obtain information about the Property. Seller further acknowledges and agrees that Buyer and/or its agents may comply with any reporting requirement contained in any federal, state or local law concerning Hazardous Materials.

10. REGULATORY STATUS

(a) Newly Discovered Matters. If any environmental condition is discovered subsequent to the Effective Date of this Agreement, and prior to Closing which (i) consists of a Hazardous Material present on the Property which was not previously disclosed, referenced or discernible from the materials and documents contained in the Environmental Reports or other materials made available by Seller to Buyer (a "Newly Discovered Matter"); and (ii) renders the environmental condition of the Property reasonably and materially unsatisfactory to Buyer, Buyer shall provide written notice to Seller of the Newly Discovered Matter that is unsatisfactory.

(b) Buyer's Right to Terminate Agreement. Buyer shall have the right to terminate the Agreement and withdraw from this transaction prior to the Closing, with the return to Buyer of the Earnest Money (including accrued interest) and any other Deposits, in the event a Newly Discovered Matter exists which Seller has elected not to remedy and Buyer notifies Seller in writing of its intent to terminate the Agreement pursuant to this Paragraph.

(c) Seller's Right of Entry. Seller, and Seller's agents, representatives, contractors and consultants shall have the right to enter upon the Property after the Closing Date established pursuant to Section 14 of this Agreement for the purpose of performing any site assessment or site remedial action.

11. REPRESENTATIONS AND WARRANTIES

(a) Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows:

(i) Buyer is a Corporation, duly organized and validly existing and in good standing under the laws of the State of Washington, and in good standing and qualified to transact business in the State of California.

(ii) Buyer has appropriated or will promptly take all reasonable steps to appropriate the funds, including the Purchase Price, necessary for completion of the transactions contemplated by this Agreement.

(iii) This Agreement and all documents executed by Buyer in connection with this Agreement which are to be delivered to Seller at Closing are, or at the time of Closing will be, duly authorized, executed and delivered by Buyer, and are, or at Closing will be, legal, valid and binding obligations of Buyer and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which Buyer is a party or to which Buyer is subject.

(iv) None of the following has occurred with respect to Buyer: (1) the commencement of a case under any federal or state bankruptcy, insolvency or similar law; (2) the appointment of a trustee or receiver of any property interest; (3) an assignment for the benefit of creditors; (4) an attachment, execution or other judicial seizure of a substantial property interest; or (5) the taking of, failure to take, or submission to any action indicating an inability to meet its financial obligations as they accrue.

(v) Seller is not a "foreign person" within the meaning of Section 1445(e) (3) of the Internal Revenue Code of 1986, as amended.

(b) Seller's Representations and Warranties. Seller represents and warrants to Buyer as follows:

(i) Seller is a public agency established pursuant to Assembly Bills 1X 26 and 1484 and is validly existing and in good standing under the laws of the State of California, and, subject

to subsection (ii) below, Buyer has the full power and authority to enter into, be bound by and comply with the terms of this Agreement and has or will seek to obtain all necessary consents and approvals to enter into and consummate the transactions contemplated by this Agreement.

(ii) Seller has disclosed to Buyer and Buyer is aware that the State of California has enacted AB 26 and AB 1484, which provided for the termination of redevelopment and requires that the successor agencies for all redevelopment agencies throughout the State of California, including Seller, take certain actions and comply with the various provisions of such laws in connection with the disposal of redevelopment assets and real properties. Seller has also disclosed to Buyer and Buyer is aware that: (1) the Property was owned by the Commission, which acted as the City of Commerce's redevelopment agency; (2) pursuant to AB 26, seller is the Successor Agency to the Commission; (3) as a matter of law, Seller became the owner of the Property after the passage of AB 26; (4) Seller is required to dispose of the Property pursuant to the terms of AB 26 and AB 1484; (5) pursuant to Health and Safety Code Section 34171, which was enacted pursuant to AB 26, Seller believes that the DDA and the option to purchase the Property are "enforceable obligations" that are binding on the Successor Agency; (6) pursuant to AB 26 Seller, the Successor Agency is required to obtain approval of this Agreement by the Oversight Board for the Successor Agency; and (7) pursuant to AB 26, after the Successor Agency obtains approval by the Oversight Board, the Department of Finance will have 5 days to object to the transaction.

(iii) Subject to subsection (ii) above, this Agreement and all documents executed by Seller in connection with this Agreement which are to be delivered to Buyer at Closing, are or at the time of Closing will be, duly authorized, executed and delivered by Seller, and are, or at Closing will be, legal, valid and binding obligations of Seller and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which Seller is a party or to which Seller is subject.

(iv) Seller is not a "foreign person" within the meaning of Section 1445(e) (3) of the Internal Revenue Code of 1986, as amended.

(v) To Seller's actual knowledge, there are no pending legal actions or arbitrations, at law or in equity, affecting the Property.

(vi) To Seller's actual knowledge, Seller has not received written notice from any governmental authority of any pending condemnation against any of the Property.

(c) Seller's Knowledge. The term "Seller's actual knowledge", Seller's "knowledge" or words of similar intent shall mean the current actual personal knowledge of, and only of Seller's Assistant Director of Community Development and City Administrator, with no imputation of knowledge and no duty of investigation or inquiry. The individuals described above shall have no personal liability under this Agreement by virtue of acting as a representative of the Seller for the purpose of this definition.

(d) AS-IS Sale; Disclaimer of Seller Representations and Warranties. Except as specifically stated in this Agreement, neither Seller nor any advisor, officer, director, trustee,

member, employee, agent, attorney or contractor thereof or therefor (individually and collectively, the "Seller Parties") is making or shall be deemed to have made, nor does any Seller Party have the authority to make, any express or implied representation or warranty of any kind or nature as to the Property or the transaction contemplated in this Agreement, including, without limitation, (i) the financial status of the Property, including without limitation, income or expenses generated, paid or incurred in connection with the Property, (ii) the nature, physical or environmental condition, safety or any other aspect of the Property or the Property's compliance with applicable laws, ordinances, rules and regulations, including, without limitation, zoning ordinances, building codes (including, without limitation, the Americans with Disabilities Act) and environmental, hazardous material and endangered species statutes, (iii) the accuracy or completeness of any information or data provided or to be provided by Seller Parties, including, without limitation, copies of any reports or documents prepared for Seller Parties whether by third parties or otherwise which may be included with such information, or (iv) any other matter relating to the Property or Seller. Without limiting the foregoing, Buyer hereby acknowledges that, except as expressly provided in this Agreement or any of the documents to be executed and delivered by Seller to Buyer at Closing, the Property will be sold to Buyer "AS IS", "WHERE IS" and "WITH ALL FAULTS." Except for the express Seller representations and warranties contained in this Agreement and the documents to be executed and delivered by Seller to Buyer at Closing, there are no representations and/or warranties, express or implied, made by Seller Parties in connection with the transactions contemplated in this Agreement. Buyer acknowledges and agrees that, except as otherwise stated in this subparagraph, (i) Buyer shall rely upon Buyer's own due diligence in determining whether the Property is suitable for purchase by Buyer; (ii) Buyer has been given a reasonable opportunity to inspect and investigate the Property, and all aspects relating thereto, either independently or through agents and experts of Buyer's choosing; (iii) Buyer is acquiring the Property based exclusively upon Buyer's own investigations and inspections thereof and the express representations and warranties of Seller contained in this Agreement and in the documents to be executed and delivered by Seller to Buyer at Closing; (iv) except as may be expressly otherwise provided in this Agreement, Seller has no obligation to repair or correct any facts, circumstances, conditions or defects or compensate Buyer therefor; and (v) except as may be expressly otherwise provided in this Agreement, by reason of all of the foregoing, Buyer shall assume the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the Property. Subject to the foregoing, Buyer further agrees and acknowledges that:

(i) Buyer has, or by the expiration of the Assessment Period will have, with the assistance of such experts as Buyer has deemed appropriate, made such independent investigations and studies with respect to the Property as it deems appropriate (including, without limitation, in connection with physical and environmental matters), the transactions contemplated by the Agreement and all aspects thereof, including without limitation Hazardous Materials and endangered species, and it will be relying entirely thereon and on the advice of its counsel, advisers and consultants concerning the subject transactions. Except for Seller's express representations and warranties contained in this Agreement and in the documents to be executed and delivered by Seller to Buyer at Closing, Buyer is not relying and shall not rely on any investigation, study, projection or other information, economic, physical, environmental or otherwise, prepared by Seller Parties or any person or entity affiliated with Seller.

(ii) Buyer has, or by the expiration of the Assessment Period will have, with the assistance of such experts as Buyer has deemed appropriate, reviewed all instruments, records and documents concerning the Property which Buyer deems appropriate or advisable to review in connection with the transactions contemplated by the Agreement.

(iii) Buyer has, or by the expiration of the Assessment Period will have, with the assistance of such experts as Buyer has deemed appropriate, made such examinations and investigations as it deems appropriate with respect to the status of all circumstances concerning the zoning, land use controls, required permits, building code compliance, environmental, hazardous material and endangered species regulations and condition and other matters with respect to the Property and the development of the Property. Seller makes no representation or warranty regarding the permitted use of the Property. In particular, Seller makes no representation or warranty that the Property may continue to be used for its present uses, that the Property or any part thereof complies with any ordinances, codes or regulations or were or are properly permitted, the condition of or rights to ingress, egress or access to and from the Property, or the condition of or any rights with respect to the water courses traversing the Property.

(iv) Seller has made or will make available for Buyer's inspection copies of certain studies, reports and other information in Seller's possession applicable to the Property. By furnishing these materials neither Seller nor any Seller Party shall be deemed to have made any representation or warranty of any kind or nature whatsoever with respect to any matter set forth, contained or addressed in such materials, including but not limited to the accuracy, adequacy or completeness thereof. The Seller Parties, and the preparer of any such study, report, or information, shall incur no liability to Buyer by reason of furnishing any such information. Consequently, Buyer, for itself and its successors in interest, hereby releases the Seller Parties from, and waives all Claims against the Seller Parties for any and all statements or opinions now or hereafter made, or information now or hereafter furnished, by the Seller Parties to Buyer or its agents or representatives.

(v) Buyer further acknowledges that "Natural Hazards" described in the following California code sections (the "Natural Hazard Laws") may affect the Property: Government Code Sections 8589.4; 8589.3; Government. Code Sections 51183.4, 51183.5 (Fire Hazard Severity Zone); Public Resource Code Section 2621.9 (Earthquake Fault Zone); Public Resource Code Section 2694 (Seismic Hazard Zone); and Public Resource Code Section 4136 (Wildland Area). Buyer acknowledges and agrees that Buyer has had the opportunity to independently evaluate and investigate whether any or all of such Natural Hazards affect the Property and Seller shall have no liabilities or obligations with respect thereto. Without limiting the foregoing, Buyer acknowledges and agrees that Buyer knowingly and intentionally waives any disclosures, obligations or requirements of Seller with respect to Natural Hazards, including, without limitation, any disclosure obligations or requirements under the aforementioned code sections or under California Civil Code Section 1102. Buyer represents that Buyer has experience acquiring and conducting due diligence and that this waiver has been negotiated and is an essential aspect of the bargain between the parties.

(e) Release. Subject to the express covenants, representations and warranties of Seller as provided in this Agreement and in the documents to be executed and delivered by Seller to Buyer at Closing, upon Closing, Buyer shall assume the risk that adverse matters, including but not limited to, construction defects, adverse physical, environmental, hazardous materials, endangered species, zoning, access or water course issues or conditions, may not have been revealed by Buyer's investigations. Buyer realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to Claims which are presently unknown, unanticipated and unsuspected, and Buyer further agrees that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Buyer nevertheless hereby intends to release, discharge and acquit Seller from any such unknown Claims. In furtherance of this intention, the Buyer hereby expressly waives any and all rights and benefits conferred upon it by the provisions of California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.”

The Buyer acknowledges that the foregoing acknowledgments, releases and waivers including, without limitation, the waiver of the provisions of California Civil Code Section 1542 were expressly bargained for. The provisions of this Paragraph 10(e) shall survive the Closing. For purposes of this Agreement, the term Claims shall mean: any action, cause of action, claim, compensation, cost, damage, demand, directive, enforcement, expense, fee (including reasonable consultants' and attorneys' fees), fine, lawsuit, loss, order, penalty, proceeding, right, or any other form of cost or compensation whatsoever, including any government Claim.

(f) Indemnity. Buyer agrees to indemnify and hold Seller harmless from any and all Claims arising out of or in connection with the Property that arise on or after the Closing. As between Buyer and Seller, following the Closing, Buyer shall be solely responsible for, and shall indemnify, protect, defend (with counsel reasonably acceptable to Seller) and hold harmless Seller from and against, any and all Claims, direct or indirect, on account of or in any way arising out of or in connection with the presence or alleged presence of Hazardous Materials at, on, under, or emanating from the Property. The provisions of this Paragraph 10 (f) shall survive the Closing.

(g) No Discrimination. There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee, himself or herself or any person claiming under or through him or her establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, leases, subtenants, subleases or vendees of the land.

12. CONDITIONS PRECEDENT

(a) The obligation of Buyer under this Agreement is subject to the fulfillment or waiver by Buyer of the following:

(i) Delivery to Escrow Agent of the properly executed Grant Deed for the Property;

(ii) Delivery to Escrow Agent of a certified copy of a duly approved resolution by the Seller evidencing approval of this Agreement by Seller's legislative body;

(iii) Delivery to Escrow Agent of a certified copy of a duly approved resolution by the Oversight Board of the Successor Agency to the Commerce Community Development Commission evidencing approval of this Agreement by the Oversight Board's legislative body;

(iv) Delivery to the Escrow Agent of an affidavit that Seller is not a "foreign person" as described in Section 11 above;

(v) Title Company shall be in a position to issue the Title Policy referred to in Section 8;

(b) The obligation of the Seller under this Agreement is subject to the fulfillment or waiver by Seller of the following:

(i) Delivery into escrow by Buyer of the Purchase Price and its share of closing costs. Said amount will be deposited in escrow by Buyer upon request of the Escrow Agent.

(ii) Delivery to the Escrow Agent of an affidavit that Buyer is not a "foreign person" as described in Section 11 above.

13. WAIVER OF BREACH

The waiver by either party of any condition or breach by the other party of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other condition of any subsequent breach of the same or any other term, covenant, or condition herein contained.

14. CLOSING

(a) Date and Location. The purchase and sale transaction contemplated by this Agreement shall close (the "Closing") not later than **Friday, June 28, 2013** or on such other date as the parties may otherwise mutually agree (the "Closing Date"). Closing shall be held at the offices of Escrow Agent.

(b) Seller's Obligations. At the Closing, Seller shall:

(i) Deliver to Buyer or Buyer's assignee a duly executed and acknowledged Grant Deed conveying the Property to Buyer or Buyer's assignee. The Grant Deed shall be in substantially the same form as the Grant Deed attached hereto as Exhibit "D";

(ii) Deliver to Buyer or Buyer's assignee possession of the Property;

(iii) Deliver documents reasonably requested by the Title Company as administrative requirements for closing this transaction; and

(iv) Deliver to Buyer or Buyer's assignee a policy of title insurance in the amount of the Purchase Price, dated as of the Closing Date as provided in Section *7 of this Agreement. Seller shall bear the cost of the PTR and a CLTA Standard Coverage Policy, subject to Buyer's right to request and pay for additional coverage as provided in said Section 7.

(c) Buyer's Obligations. At the Closing, Buyer shall:

(i) Make payment of the Purchase Price to Seller in accordance with Section 2 above. Buyer shall pay to Seller the cost of additional Title Insurance coverage(s) as required by Section 8 of this Agreement;

(ii) Deliver to Seller reasonable evidence of Buyer's capacity and authority for closing the transaction; and

(iii) Deliver documents reasonably requested by the Title Company as administrative requirements for closing this transaction.

(d) Tax Adjustment Procedure. Escrow Agent is authorized and instructed to comply with the following tax adjustment procedure:

(i) Pay and charge Seller for any unpaid delinquent taxes and/or any penalties and interest thereon, and for any delinquent or non-delinquent assessments or bonds against the Property;

(ii) Escrow is not to be concerned with proration of Seller's taxes for the current fiscal year if this escrow closes between July 1 and November 1 unless current tax information is available from title insurer between October 15 and November 1. In the event said tax information is available, Seller's taxes shall be prorated in accordance with paragraph (iii) below. From July 1 and the ensuing period, when tax information is not available, referred to above, Seller's pro rata portion of taxes due to close of escrow, shall be cleared and paid by Seller, outside of escrow, pursuant to provisions of Section 5082 through 5090 of the Revenue and Taxation Code of the State of California;

(iii) From the date that tax information is available, as per paragraph (d) (ii) above, up to and including July 30th, Seller's current taxes, if unpaid, shall be prorated to date of close of escrow on the basis of a 365-day year in accordance with Tax Collector's proration

requirements, together with penalties and interest if said current taxes are unpaid after December 10 and/or April 10. At close of escrow, a check payable to the County Tax Collector for Seller's pro rata portion of taxes shall be forwarded to Buyer with Closing statement; and

(iv) Any taxes which have been paid by Seller, prior to opening of this escrow, shall not be prorated between Buyer and Seller, but Seller shall have the sole right, after close of escrow, to apply to the County Tax Collector of said County for refund of such taxes which may be due Seller for the period after Buyer's acquisition pursuant to California Revenue and Taxation Code Section 5096.7.

(e) Costs. Except to the extent specifically allocated in this Agreement, each party shall pay its share of the costs associated with the Closing which are normally assessed against a Seller and Buyer in a transaction of this character in the county where the Property is located. Each party shall be responsible for its or his own legal, accountant or other professional fees, if any.

15. RISK OF LOSS/CONDEMNATION

Seller shall assume the risk of loss, destruction or damage to the Property by fire, Act of God, other casualty, or condemnation prior to the Closing Date and the transfer of title to the Property to Buyer. Buyer assumes, as of the Closing Date and transfer of title, all hazards of damage to or destruction of the Property and of the taking of the Property or any part thereof for public use, and agrees that no such damage, destruction or taking shall constitute a failure of consideration. Upon the execution of this Agreement, Buyer shall have an insurable interest in the Property. Buyer shall have the option in the event of destruction or taking of a part of the Property subsequent to the execution of this Agreement but prior to the Closing Date that materially adversely affects Buyer's use of the Property to (i) cancel this Agreement, in which event Seller shall refund, without interest, the Earnest Money and neither party shall have any further right or obligation to or against the other or to (ii) proceed with the execution of the Agreement with an abatement of the Purchase Price measured by the proceeds of any insurance collected or condemnation award obtained.

16. BROKER

Seller and Buyer each represent and warrant to the other that no real estate brokers or finders are or were involved with respect to any of the transactions contemplated by this Agreement. Each party hereto will indemnify and save harmless the other from any other claim or claims made by any brokers or finders for any commissions or compensation alleged to be due by reason of the indemnifying party involving such brokers or finders.

17. NOTICES

All notices, demands and requests and other communications required or permitted hereunder shall be in writing, and shall be deemed to be delivered, when received, if delivered personally, by private messenger, courier service (e.g., Federal Express, a commercial messenger service or any similar means of delivery), or facsimile transmission, or whether actually received or not

when actually deposited in a regularly maintained receptacle for the United States Mail, registered or certified, return receipt requested, postage prepaid, addressed to the parties at the addresses provided below:

For Seller:

City of Commerce, as Successor Agency to the
Commerce Community Development Commission
2535 Commerce Way
Commerce, California 90040
Attn: City Administrator
Phone: (323) 722-4805
Fax: (323) 726-6231

with a copy to:

Eduardo Olivo
Olivo & Associates
320 W. Whittier Boulevard, Suite 224
La Habra, CA 90631
Phone: (562) 697-2440
Fax: (562) 697-2443

For Buyer:

Costco Wholesale Corporation
999 Lake Drive
Issaquah, WA 98027
Attn: Bruce Coffey
Phone: (425) 313-6549
Fax: (425) 313-8114

18. ATTORNEY'S FEES

If legal action is commenced to enforce or to declare the effect of any provision of this Agreement, or any document executed in connection with this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorneys' fees and other litigation costs. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party in any lawsuit on this Agreement or any document executed in connection with this Agreement shall be entitled to its reasonable attorneys' fees incurred in any post judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement or any document executed in connection with this Agreement into any judgment on this Agreement or any document executed in connection with this Agreement. This provision shall survive Closing or termination of this Agreement.

19. HEADINGS

The headings contained in this Agreement are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement.

20. MERGER

All understandings and agreements heretofore had between the parties, oral or written are merged into this Agreement, which alone fully and completely expresses their understanding.

21. MODIFICATION

This Agreement shall not be modified or amended except by a written instrument duly executed by the parties hereto.

22. BINDING EFFECT AND ASSIGNABILITY

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their parent, subsidiary and affiliated corporations, and their approved (in accordance with the terms of this Agreement) successors and assigns. Neither party shall assign this Agreement without the prior written consent of the other, provided, however, that Seller may not unreasonably withhold or delay its consent of a proposed assignment from Buyer to a third party ready, willing and able to assume Buyer's obligations. Any attempted assignment without such prior written consent shall be void; provided Seller's failure to notify Buyer of disapproval within ten (10) business days after it receives notice of the assignment shall be considered approval.

23. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

The representations and warranties set forth in the Agreement shall be continuing and shall survive the closing.

24. GOVERNING LAW

This Agreement shall be construed and governed in accordance with the laws of the State of California.

25. FORUM SELECTION

Any action brought relating to this Agreement shall be brought and held exclusively in a State Court in the County of Los Angeles, California.

26. MODIFIED TIME OF THE ESSENCE

Time is of the essence in the performance of this Agreement.

27. COUNTERPARTS

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement in duplicate as of the day and year first above written.

BUYER:

SELLER:

COSTCO WHOLESALE CORPORATION

CITY OF COMMERCE AS
SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY
DEVELOPMENT COMMISSION

pc By: 
Name/Title RICHARD J. OLIN
V.P./Asst. Secretary

By: _____
Joe Aguilar, Chairperson

ATTEST:

By: _____
Linda K. Olivieri,
City Clerk

APPROVED AS TO FORM:

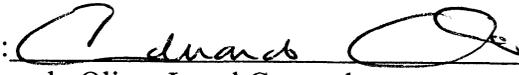
By: 
Eduardo Olivo, Legal Counsel

EXHIBIT "A"
REDEVELOPMENT PARCEL MAP

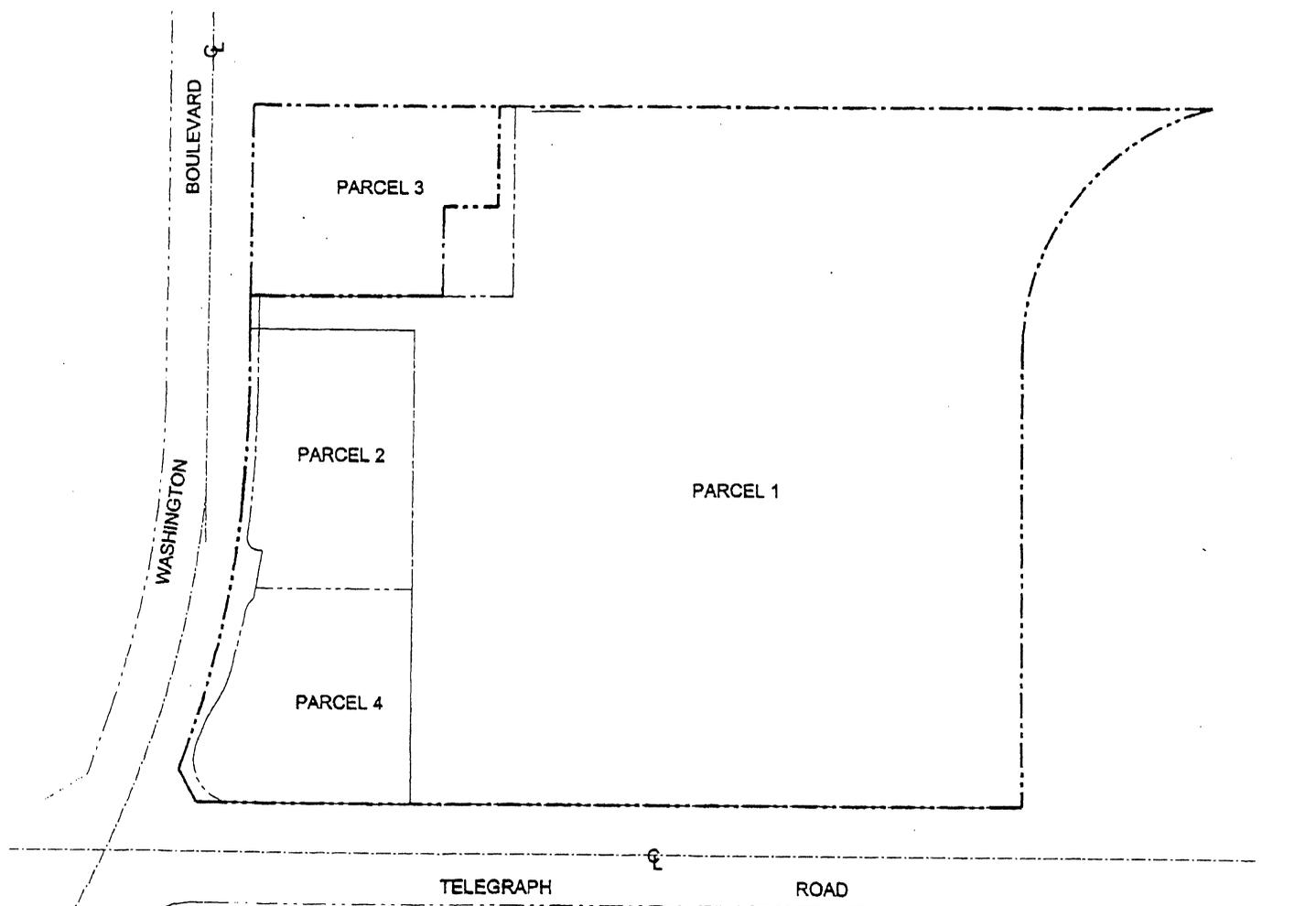
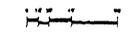


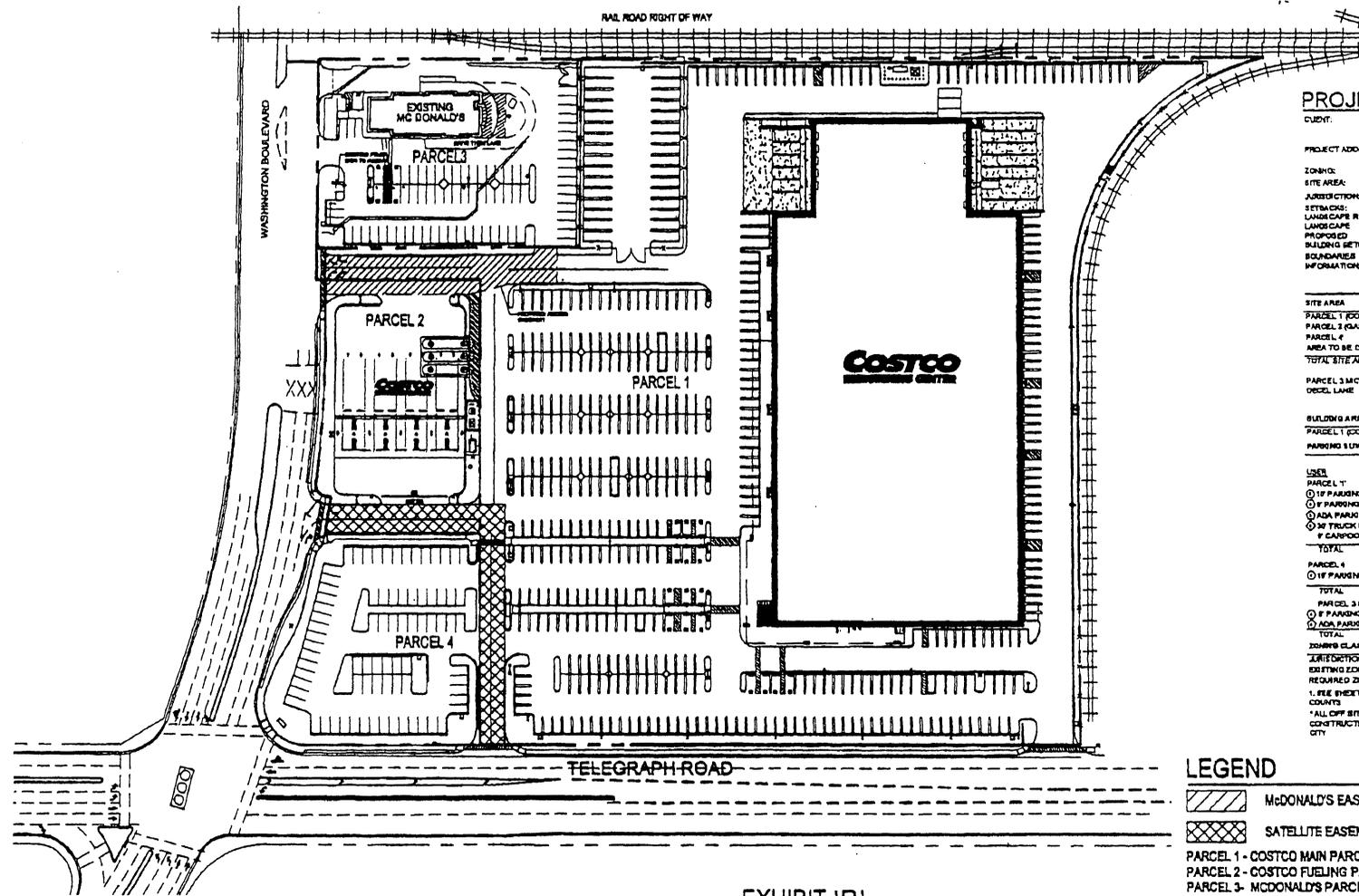
EXHIBIT 'A'
REDEVELOPMENT PARCEL MAP
COMMERCE, CA

LEGEND



DATE: 02.06.08

EXHIBIT "B"
REDEVELOPMENT SITE MAP



PROJECT DATA

CLIENT: COSTCO WHOLESALE
 99 LAKE DRIVE
 15 SAGUAM, WA 98277
 PROJECT ADDRESS: 8333 TELEGRAPH ROAD
 COMMERCE, CA 92540
 ZONING: C-3 COMMERCIAL
 SITE AREA: 12.14 ACRES (527,708 S.F.)
 JURISDICTION: CITY OF COMMERCE, CALIFORNIA
 SETBACKS: 10' FROM PROPERTY LINE
 LANDSCAPE REQUIREMENTS: 7.5% OF SITE
 LANDSCAPE: 13.7% OF GRID 3 PARKING AREA
 BUILDING SETBACKS: 30' FROM PROPERTY LINE
 BOUNDARIES: THIS PLAN HAS BEEN PREPARED
 INFORMATION: BY USING A TOPO PLAN BY
 FUSCO ENGINEERING DATED
 04/20/07

SITE AREA
 PARCEL 1 (COSTCO) 8.57 ACRES (371,440 SQ FT)
 PARCEL 2 (COSTCO) 0.87 ACRES (37,918 SQ FT)
 PARCEL 3 0.81 ACRES (35,288 SQ FT)
 AREA TO BE DEDICATED 0.89 ACRES (38,938 SQ FT)
 TOTAL SITE AREA 12.14 ACRES (527,708 SQ FT)

PARCEL 3 MCDONALD'S 0.21 ACRES (9,180 SQ FT)
 DECEL LANE 0.11 ACRES (4,800 SQ FT)

BUILDING AREA
 PARCEL 1 (COSTCO) 174,430 SF
 PARKING & LUMINAIR

USER	REQD.	SPACES PROVIDED
PARCEL 1	142	
⊙ P PARKING		373 STALLS
⊙ H PARKING		11 STALLS
⊙ ADA PARKING		18 STALLS
⊙ NO TRUCK DELIVERY		13 STALLS
⊙ CARPOOL		2 STALLS
TOTAL		478 STALLS

PARCEL 4		
⊙ H PARKING		75 STALLS
TOTAL		75 STALLS
PARCEL 3 MCDONALD'S		
⊙ P PARKING		77 STALLS
⊙ ADA PARKING		4 STALLS
TOTAL		81 STALLS

ZONING CLASSIFICATION
 JURISDICTION CITY OF COMMERCE
 EXISTING ZONING C-3 COMMERCIAL
 REQUIRED ZONING C-3 COMMERCIAL
 1. SEE SHEET DCEL-21 FOR DETAILED PARKING
 COUNTS
 *ALL OFF SITE IMPROVEMENTS TO BE
 CONSTRUCTED BY COSTCO AND REIMBURSED BY
 CITY

LEGEND

MCDONALD'S EASEMENT

SATELLITE EASEMENT

PARCEL 1 - COSTCO MAIN PARCEL

PARCEL 2 - COSTCO FUELING PARCEL

PARCEL 3 - MCDONALD'S PARCEL

PARCEL 4 - SATELLITE PARCEL

DATE: 2.08.08

EXHIBIT 'B'
 REDEVELOPMENT SITE MAP
 COMMERCE, CA

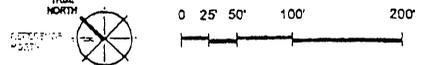


Exhibit “C”

**not available – should
receive by early next week**

EXHIBIT "C"

LEGAL DESCRIPTION
OF *** address??

Formatted: Highlight

(APN NO. 5244-033-900***)
(To Be Provided By Seller)

EXHIBIT "D"

FORM OF GRANT DEED

Recording Requested by:

CITY OF COMMERCE, SUCCESSOR
AGENCY TO THE COMMERCE
COMMUNITY DEVELOPMENT
COMMISSION

When Recorded Return to
and Mail Tax Statements to:

Costco Wholesale Corporation
999 Lake Drive
Issaquah, WA 98027-5367
Attention: REAL ESTATE DEPARTMENT
PROPERTY MANAGEMENT

This document is exempt from the payment of recording
fee pursuant to Government Code Section 27383

GRANT DEED

FOR VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY
ACKNOWLEDGED, THE **CITY OF COMMERCE, SUCCESSOR AGENCY TO THE
CITY OF COMMERCE COMMUNITY DEVELOPMENT COMMISSION**, a public body,
corporate and politic ("**Grantor**"), established pursuant to the provisions of Health and Safety
Code Section 34173, hereby grants to **COSTCO WHOLESALE CORPORATION**, a
Washington corporation ("**Grantee**"), that certain real property described in Exhibit "A"
attached hereto and incorporated herein by this reference (the "**Property**").

(a) The Property is conveyed subject to all easements, covenants, conditions,
restrictions, and other encumbrances of record.

(b) The Property is conveyed in accordance with that certain Amended and
Restated Disposition and Development Agreement by and among Grantor and Grantee, dated
March 18, 2008 (the "**DDA**"), which document is a public records on file in the office of the City
Clerk of the City of Commerce, California.

(c) Grantee herein covenants by and for itself, its' heirs, executors,
administrators and assigns, and all persons claiming under or through them, that there shall be no

discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the **Property** herein conveyed nor shall the grantee, itself, or any persons claiming under through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees in the premises herein conveyed. The foregoing covenants shall run with the land. All deeds, leases or contracts for the sale, lease, sublease, or other transfer of the Property shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(i) In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed nor shall the grantee, himself or herself, or any persons claiming under through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

(ii) In leases: “The lessee herein covenants by and for himself, his or her heirs, executors, administrators and assigns and all persons claiming under or through, him or her, that this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased, nor shall the lessee, himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number use or occupancy of tenants, lessees, subtenants, subleases or vendees in the premises herein leased.”

(iii) In contracts for the sale, lease, sublease, or other transfer of the Property: “There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee, himself or herself or any person claiming under or through him or her establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, leases, subtenants, subleases or vendees of the land.”

(d) All covenants, conditions and restrictions contained in this Grant Deed shall be covenants running with the land, and shall be, in any event and without regard to technical classification or designation (legal or otherwise), to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by, Grantor, its successors and assigns, against Grantee, its successors and assigns to or of the Property, or a portion thereof,

or any interest therein, and any party in possession or occupancy of the Property, or portion thereof, for the duration of such covenants, conditions and restrictions.

(e) The covenants against discrimination contained in Section (c) of this Grant Deed shall remain in perpetuity.

(f) In amplification and not in restriction of the provisions set forth in this Grant Deed, it is intended and agreed that each of Grantor and the City of Commerce shall be deemed a beneficiary of the agreements and covenants provided in this Grant Deed both for and in its own right and also for the purposes of protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of Grantor and City, and such covenants shall run in favor of Grantor and City for the entire period during which such covenants shall be in force and effect, without regard to whether Grantor is or remains an owner of any land or interest therein to which such covenants relate. Each of Grantor and City shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

(g) No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or interest permitted by the DDA; provided that any subsequent owner of the Property shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

(h) None of the covenants, conditions or restrictions heretofore agreed upon in writing in the DDA, or in other instruments between the parties to this Grant Deed, with respect to obligations to be performed, kept or observed with respect to the Property, shall be deemed to be merged with this Grant Deed.

IN WITNESS WHEREOF, Grantor and Grantee have executed this Grant Deed this _____ day of _____, 2013.

CITY OF COMMERCE AS SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT
COMMISSION, a public body, corporate and politic

By _____
Name:
Its: Chairperson

APPROVED AS TO FORM:

Eduardo Olivo
Successor Agency Legal Counsel

Grantee hereby accepts and approves each of the covenants, conditions and restrictions contained in this Grant Deed.

COSTCO WHOLESALE CORPORATION,
a Washington corporation

By: _____
Name: _____
Its: _____



AGENDA REPORT

MEETING DATE: May 7, 2013

TO: Honorable City Council

FROM: City Administrator

SUBJECT: A Resolution of the City Council of the City of Commerce, California Declaring that the Public Interest and Necessity Demand the Immediate Expenditure of Public Money to Safeguard Life, Health, and/or Property Pursuant to California Public Contract Code Sections 20168 and 22050, and Approving and Adopting the Findings Required by Health and Safety Code Section 33445 for Funding of Capital Improvements for Street Repairs Required on Canning Street between Garfield Avenue and Malt Avenue, and Authorizing All Necessary Work and Expenditures Related Thereto

RECOMMENDATION:

Approve the Resolution declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health, and/or property pursuant to California Public Contract Code Sections 20168 and 22050, and approving and adopting the findings required by Health and Safety Code Section 33445 for funding of capital improvements for street repairs required on Canning Street between Garfield Avenue and Malt Avenue, and authorizing all necessary work and expenditures related thereto and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND:

The Community Development Department, Public Services Division, has received a large number of complaints about the poor asphalt pavement and concrete sidewalks/gutters on Canning Avenue between Garfield Avenue and Malt Avenue. This area is heavily impacted by truck traffic. There are a couple of businesses that operate 24-hours a day, 7-days a week.

The poor condition of the asphalt pavement in this area has created a situation that is potentially dangerous to the public's health, safety and welfare. Therefore, City staff believes that repairs of the area cannot be delayed and should proceed immediately.

ANALYSIS:

Canning Street is considered a local roadway with one travel lane in each direction with access to Garfield Avenue and Malt Avenue. The roadway is approximately 50 feet wide. Land use is primarily light industrial. There is heavy on-street parking on both sides of the street. There are sidewalks on both sides of the street, but they are not ADA compliant and some are in poor condition because they have been uplifted by tree roots. The pavement is in extremely poor condition. A couple of days after every rain event repairs of numerous potholes are necessary. It is estimated that the City will spend approximately \$8,000 to \$10,000 this year on pothole repairs on Canning Street.

The asphalt pavement and concrete sidewalks/gutters on Canning Street between Garfield Avenue and Malt Avenue has deteriorated significantly and have caused a number of recent complaints by the public. This area is heavily impacted by truck traffic and is now deemed to pose a potential health and safety hazard for members of the public. Due to the health and safety issues related to the current condition of this area in the City, immediate repairs are required.

The Community Development Department is recommending that, pursuant to Sections 20168 and 22050 of the Public Contracts Code, the City Council adopt a Resolution declaring and finding that:

- the public interest and necessity demand immediate expenditure of City funds in order to safeguard life, health or property; and
- the emergency will not permit a delay resulting from a competitive solicitation for bids; and
- the action is necessary to respond to the emergency.

Staff also recommends that the Council approve the following Agreements:

- (1) Contract No. 1303 - Phase I with Ben's Asphalt, Inc., in the amount of \$238,667.00;
- (2) Contract No. 1303 Phase II with Martinez Concrete, Inc., in the amount of \$47,314.94;
- (3) Professional Services Agreement with Transtech Engineers, Inc., in the amount of \$11,520.00. Staff further recommends that an additional ten percent (10%) contingency of \$29,750.19 be appropriated for this project.

These contractors have performed and provided quality work and services for the City on previous projects. Their proposals are also well within current pricing for these services/work. Pursuant to Public Contracts Code Sections 20168 and 22050, a four-fifths vote of the City Council is required in order to approve these actions.

FISCAL IMPACT:

On March 26, 2013, staff reported a savings of \$363,101.02 in the Capital Improvement Project Budget for the Rosini/Rosewood Neighborhood Street Rehabilitation Project (Account. No. 40-5170-57070.10336). The total estimated cost of the repairs on Canning Streets is \$327,252.13, including a 10% contingency of \$29,750.19. Staff is recommending that these savings be utilized to fund the proposed repairs on Canning Street.

RELATIONSHIP TO 2009 STRATEGIC GOALS:

The agenda report is in furtherance of Council's strategic goal to "Protect and Enhance Quality of Life in the City of Commerce." The City's ability to maintain its infrastructure in an effective and efficient manner directly/indirectly impact quality of life issues of our community.

Recommended and Prepared by:


Danilo Batson
Assistant Director of Public Services

Respectfully submitted,


Jorge Rifa
City Administrator

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 DECLARING THAT THE PUBLIC INTEREST AND NECESSITY DEMAND THE IMMEDIATE EXPENDITURE OF PUBLIC MONEY TO SAFEGUARD LIFE, HEALTH, AND/OR PROPERTY PURSUANT TO CALIFORNIA PUBLIC CONTRACT CODE SECTIONS 20168 AND 22050, AND APPROVING AND ADOPTING THE FINDINGS REQUIRED BY HEALTH AND SAFETY CODE SECTION 33445 FOR FUNDING OF CAPITAL IMPROVEMENTS FOR STREET REPAIRS REQUIRED ON CANNING STREET BETWEEN GARFIELD AVENUE AND MALT AVENUE, AND AUTHORIZING ALL NECESSARY WORK AND EXPENDITURES RELATED THERETO

WHEREAS, the City has recently received a large number of complaints regarding deteriorated asphalt pavement on Canning Street between Garfield Avenue and Malt Avenue (the "Project Area"); and

WHEREAS, the Project Area is heavily impacted by truck traffic and has recently deteriorated to such a degree that it poses a hazard to unexpected motorists; and

WHEREAS, City staff has determined that the Project Area requires the City to take emergency action to make the necessary repairs as soon as possible so that risk to the public can be minimized; and

WHEREAS, due to health and safety issues, the Project Area repairs cannot wait until the usual request for proposal process is completed; and

WHEREAS, the Department of Community Development has sought and received the following informal bids for the work that is needed:

1. Ben's Asphalt, Inc. – for street repairs..... \$238,667.00
2. Martinez Concrete, Inc. – for concrete repairs..... \$ 47,314.94
3. Transtech Engineers, Inc., – for public works inspection... \$ 11,520.00

WHEREAS, based upon staff review and analysis of the bids, the Community Development Department recommends that the City Council approve a contract with Ben's Asphalt Maintenance Co. Inc., with Martinez Concrete, Inc., and with Transtech Engineers in the amount of their respective bids, and also appropriate an additional contingency amount of ten percent (10%) of the total proposed work for any unforeseen circumstances.

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

Section 1. Pursuant to California Public Contract Code Sections 20168 and 22050, the City Council hereby finds and determines, based upon substantial evidence provided in the record before it, that the public interest and necessity demand immediate expenditure of City funds to repair the Project Area in order to safeguard life, health or property.

Section 2. Pursuant to California Public Contract Code Sections 20168 and 22050, the City Council also hereby finds and determines, based upon substantial evidence in the record, that the emergency will not permit a delay resulting from a competitive solicitation for bids and that immediate action to repair the Project Area is necessary to respond to the emergency.

Section 3. The City Council hereby approves Standard Contract No. 1303 Phase I with Ben's Asphalt, Inc. The Mayor is hereby authorized to execute the Contract for and on behalf of the City of Commerce.

Section 4. The City Council hereby approves Standard Contract No. 1303 Phase II with Martinez Concrete, Inc. The Mayor is hereby authorized to execute the Contract for and on behalf of the City of Commerce.

Section 5. The City Council hereby approves the Professional Services Agreement with Transtech Engineers, Inc. The Mayor is hereby authorized to execute the Contract for and on behalf of the City of Commerce.

Section 6. Pursuant to California Public Contract Code Section 20168, this Resolution has been adopted by a minimum 4/5 vote of the City Council.

Section 7. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 7th day of May, 2013.

Joe Aguilar, Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk

CITY OF COMMERCE STANDARD CONTRACT

**CITY PROJECT NO. 1303 PHASE II
CANNING STREET IMPROVEMENTS
IN THE CITY OF COMMERCE**

THIS AGREEMENT is made and entered into this _____ day of _____ 2013, by and between the **CITY OF COMMERCE**, a Municipal corporation, hereinafter called CITY, and **MARTINEZ CONCRETE, INC.**, hereinafter called CONTRACTOR.

At its regular meeting held on **May 7, 2013**, the City Council duly accepted the bid of CONTRACTOR for Project No. 1303 Phase I – Canning Street Improvements pursuant to California Public Contract Code Sections 20168 and 22050, and as required by Health and Safety Code Section 33445. NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, said parties do hereby agree as follows:

ARTICLE I

The contract documents for the PROJECT shall consist of the CONTRACTOR'S Proposal, the described Scope of Work, General Specifications, Standard Specifications, Special Provisions, Plans, and all referenced specifications, details, standard drawings, latest edition of the Greenbook, and appendices, together with this Contract and all required bonds, insurance certificates, permits, notices, and affidavits, and also including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner.

All of the rights and obligations of CITY and CONTRACTOR are fully set forth and described in the Contract Documents.

All of the above-mentioned 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 documents comprising the complete contract are hereinafter referred to as CONTRACT DOCUMENTS and are incorporated herein by this reference and made part hereof as though they were fully set forth herein.

ARTICLE II

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

CONTRACTOR hereby agrees to receive and accept the total amount of FORTY-SEVEN THOUSANDS THREE HUNDRED FOURTEEN DOLLARS AND NINETY

FOUR CENTS (\$47,314.94), which is based on performing all of the bid quantities shown on CONTRACTOR'S PROPOSAL as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. The final total amount to be paid to the CONTRACTOR shall be based on actual bid quantities completed. 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 five percent (5%) of said price until said time as the provisions of Article XII herein have been met.

ARTICLE IV

CITY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein contained and referred to, for the said amounts set forth in Article III hereof, and hereby agrees to pay the same at the time, in the manner, and upon the conditions set forth in the CONTRACT DOCUMENTS.

In addition, 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

CONTRACTOR shall commence work on the date specified in the Notice to Proceed to be issued to said CONTRACTOR by the CITY and shall complete work on the PROJECT within the time schedule specified in the specifications.

ARTICLE VI

CONTRACTOR shall, without disturbing the condition, notify CITY in writing as soon as CONTRACTOR, or any Contractor's subcontractor, agents 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 this character provided for in this Contract.

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.

CITY shall promptly investigate the reported conditions. If CITY, through the City Engineer or his/her, 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.

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

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 the Contractor's work, regardless of responsibility of negligence; 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, regardless of responsibility of negligence; provided:

- (1) 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 in this Agreement.
- (2) That the aforesaid hold-harmless agreement by CONTRACTOR shall apply to all damages and claims for damages of every kind suffered, or alleges 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

CONTRACTOR, before commencing said PROJECT, shall furnish and file with CITY, a bond, or bonds, in a form satisfactory to the CITY, 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.

ARTICLE IX

CONTRACTOR shall not commence work under this contract until CONTRACTOR shall have obtained all insurance required by the CONTRACT DOCUMENTS and such insurance shall have been approved by CITY as to form, amount and carrier, nor shall CONTRACTOR allow any subcontractor to commence work on any subcontract until all similar insurance required of the subcontractor shall have been so obtained and approved.

(a) **COMPENSATION INSURANCE.** CONTRACTOR shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of improvement; and, if any work is sublet, CONTRACTOR shall require the subcontractor's similarly to provide Worker's Compensation Insurance for all of the latter's employees, unless such employees are covered by the protection afforded by CONTRACTOR. If any class of employees engaged in work under this contract at the site of the PROJECT is not protected under any Worker's Compensation law, CONTRACTOR shall provide and shall cause each subcontractor's to provide adequate insurance for the protection of employees not otherwise protected. CONTRACTOR shall indemnify CITY for any damage resulting to it from failure of either CONTRACTOR or any subcontractor to take out or maintain such insurance.

(b) **COMPREHENSIVE GENERAL LIABILITY, PRODUCTS / COMPLETED OPERATIONS HAZARD, COMPREHENSIVE AUTOMOBILE LIABILITY AND CONTRACTUAL GENERAL LIABILITY INSURANCE.** CONTRACTOR shall take out and maintain during the life of this contract such comprehensive general liability, products/completed operations hazard, comprehensive automobile liability and contractual general liability insurance as shall protect the CITY, its elective and appointive boards, officers, agents and employees, CONTRACTOR, and any subcontractor performing work covered by this contract, from claims for damage for personal injury, including death, as well as from claims for property damage which may arise from CONTRACTOR or any subcontractor, or by anyone directly or indirectly employed by either CONTRACTOR or any subcontractor's, and the amounts of such insurance shall be as follows:

- Public Liability and Property Damage Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);
- Products/Completed Operations Hazard Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);

- Comprehensive Automobile Liability Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);
- Contractual General Liability Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);
- or GENERAL AGGREGATE LIABILITY in an amount of not less than FIVE MILLION DOLLARS (\$5,000,000).

A combined single limit policy with aggregate limits in an amount of not less than FIVE MILLION DOLLARS (\$5,000,000) shall be considered equivalent to the said required minimum limits set forth herein above.

(c) **PROOF OF INSURANCE.** The City of Commerce shall be named as "additional insured" on all policies required hereunder, and CONTRACTOR shall furnish CITY, concurrently with the execution hereof, with satisfactory proof of carriage of the insurance required, and adequate legal assurance that each carrier will give CITY at least thirty (30) days' prior notice of the cancellation of any policy during the effective period of this contract. Such insurance shall be primary and noncontributory with any other insurance maintained by the City of Commerce

(d) **NOTICE TO COMMENCE WORK.** The CITY will not issue any notice authorizing CONTRACTOR or any subcontractor to commence work under this contract until CONTRACTOR has provided to the CITY the proof of insurance as required by subparagraph (c) of this article.

ARTICLE X

If any dispute shall arise concerning this Agreement, the prevailing party shall be entitled to attorney fees.

ARTICLE XI

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 Eight-hundred dollars (\$800) 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 Eight-hundred dollars (\$800) 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 Agreement.

ARTICLE XII

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Requirements related to employment and labor relations.

ARTICLE XIII

Upon completion of the PROJECT and acceptance of same by the City Council, the CITY Manager 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 XIV

This contract shall not be assignable, either in whole or in part, by the CONTRACTOR without first obtaining the written consent of the CITY thereto.

ARTICLE XV

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

ARTICLE XVI

If either party to this agreement 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. Attorney's fees shall include reasonable costs for investigating such action conducting discovery and all other necessary cost the court allows, which are incurred in such litigation.

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

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, a Municipal corporation

Signed by: _____
Joe Aguilar, Mayor

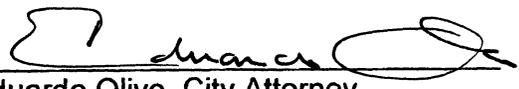
ATTEST:

Signed by: _____
Linda Olivieri, MMC
City Clerk

CONTRACTOR

Signed by:  _____
Robert Martinez, President

APPROVED AS TO FORM:

Signed by:  _____
Eduardo Olivo, City Attorney



BID PROPOSAL and CONTRACT

State License #394471

Since 1977

Date: 4/30/2013

From:

Martinez Concrete Inc.
920 W. Foothill Blvd.
Azusa, CA 91702
Phone 626-334-2979 Fax 626-334-3365 mcicon77@aol.com

To:

Danilo Batson/Victor S L
City of Commerce
2535 Commerce Way
Commerce, CA 90091
(323) 722-4814

Estimator

Job

Robert M	Commerce-Canning Street PCC Repairs/Improvements		
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Description	Qty.	Unit Price	Unit	Line Total
Remove and Reconstruct PCC Handicap Ramps to meet ADA requirements incl. truncated dome(4x3') Locations are corners of Canning and Garfield and Malt.	4	\$2,265.00	ea	\$9,060.00
Remove and Reconstruct 4" PCC Sidewalk including root removal and disposal. 290lf of sidewalk to take 1' asphalt slot patch back.	2,625	\$6.30	sf	\$16,537.50
Remove and Reconstruct 2' Gutter Plate including #4 dowels @ 2' o.c. including 1' asphalt slot	75	\$26.50	lf	\$1,987.50
Remove and Reconstruct 8" Thick PCC Driveway to match existing improvements	684	\$6.80	sf	\$4,651.20
Remove and Reconstruct 8" PCC Curb & 2' Gutter to match existing.	238	\$52.00	lf	\$12,376.00
Remove and relocate Culvert approx 3' to the east. S=18"(Opening of culvert) Length to be approx. 6.5'. Includes Angle iron and rebar per Green Book.	1	\$1,650.00	Lump sum	\$1,650.00
Grind approx. 2" from sidewalk at back of curb.	8	\$15.6250	lf	\$125.00
Bonds & Insurance Cost			Lump sum	\$927.74
			Total	\$47,314.94

Quotation prepared by:

This is a quotation on the goods named, subject to the conditions noted below:

Exclusions:

- Survey.
- Permits.
- Backer rods, joint sealants, sealers
- Special finishes
- Steel reinforcement unless noted.
- CMB or CAB
- Utility Boxes. Adjust Only.
- Integral colors, sandblasting, stamped,etc.
- Tree removal or root chasing.

Inclusions:

- Sawcutting and removals
- Dump fees
- Traffic control
- Minor survey
- Washout Pit
- Business License
- Mix: 520-c-2500
- Curing compound
- Broom finish
- Detectable Warning surface(1) one per ramp
- Work Hours: 7am to 4pm M-F

To accept this quotation, sign here and return: _____

CITY OF COMMERCE STANDARD CONTRACT

**CITY PROJECT NO. 1303 PHASE I
CANNING STREET IMPROVEMENTS
IN THE CITY OF COMMERCE**

THIS AGREEMENT is made and entered into this _____ day of _____ 2013, by and between the **CITY OF COMMERCE**, a Municipal corporation, hereinafter called CITY, and **BEN'S ASPHALT, INC.**, hereinafter called CONTRACTOR.

At its regular meeting held on **May 7, 2013**, the City Council duly accepted the bid of CONTRACTOR for Project No. 1303 Phase I – Canning Street Improvements pursuant to California Public Contract Code Sections 20168 and 22050, and as required by Health and Safety Code Section 33445. NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, said parties do hereby agree as follows:

ARTICLE I

The contract documents for the PROJECT shall consist of the CONTRACTOR'S Proposal, the described Scope of Work, General Specifications, Standard Specifications, Special Provisions, Plans, and all referenced specifications, details, standard drawings, latest edition of Greenbook, and appendices, together with this Contract and all required bonds, insurance certificates, permits, notices, and affidavits, and also including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner.

All of the rights and obligations of CITY and CONTRACTOR are fully set forth and described in the Contract Documents.

All of the above-mentioned 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 documents comprising the complete contract are hereinafter referred to as CONTRACT DOCUMENTS and are incorporated herein by this reference and made part hereof as though they were fully set forth herein.

ARTICLE II

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

CONTRACTOR hereby agrees to receive and accept the total amount of TWO HUNDRED THIRTY-EIGHT THOUSANDS SIX HUNDRED SIXTY-SEVEN DOLLARS

(\$238,667), which is based on performing all of the bid quantities shown on CONTRACTOR'S PROPOSAL as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. The final total amount to be paid to the CONTRACTOR shall be based on actual bid quantities completed. 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 five percent (5%) of said price until said time as the provisions of Article XII herein have been met.

ARTICLE IV

CITY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein contained and referred to, for the said amounts set forth in Article III hereof, and hereby agrees to pay the same at the time, in the manner, and upon the conditions set forth in the CONTRACT DOCUMENTS.

In addition, 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

CONTRACTOR shall commence work on the date specified in the Notice to Proceed to be issued to said CONTRACTOR by the CITY and shall complete work on the PROJECT within the time schedule specified in the specifications.

ARTICLE VI

CONTRACTOR shall, without disturbing the condition, notify CITY in writing as soon as CONTRACTOR, or any Contractor's subcontractor, agents 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 this character provided for in this Contract.

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.

CITY shall promptly investigate the reported conditions. If CITY, through the City Engineer or his/her, 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.

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

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 the Contractor's work, regardless of responsibility of negligence; 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, regardless of responsibility of negligence; provided:

- (1) 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 in this Agreement.
- (2) That the aforesaid hold-harmless agreement by CONTRACTOR shall apply to all damages and claims for damages of every kind suffered, or alleges 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

CONTRACTOR, before commencing said PROJECT, shall furnish and file with CITY, a bond, or bonds, in a form satisfactory to the CITY, 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.

ARTICLE IX

CONTRACTOR shall not commence work under this contract until CONTRACTOR shall have obtained all insurance required by the CONTRACT DOCUMENTS and such insurance shall have been approved by CITY as to form, amount and carrier, nor shall CONTRACTOR allow any subcontractor to commence work on any subcontract until all similar insurance required of the subcontractor shall have been so obtained and approved.

(a) COMPENSATION INSURANCE. CONTRACTOR shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of improvement; and, if any work is sublet, CONTRACTOR shall require the subcontractor's similarly to provide Worker's Compensation Insurance for all of the latter's employees, unless such employees are covered by the protection afforded by CONTRACTOR. If any class of employees engaged in work under this contract at the site of the PROJECT is not protected under any Worker's Compensation law, CONTRACTOR shall provide and shall cause each subcontractor's to provide adequate insurance for the protection of employees not otherwise protected. CONTRACTOR shall indemnify CITY for any damage resulting to it from failure of either CONTRACTOR or any subcontractor to take out or maintain such insurance.

(b) COMPREHENSIVE GENERAL LIABILITY, PRODUCTS / COMPLETED OPERATIONS HAZARD, COMPREHENSIVE AUTOMOBILE LIABILITY AND CONTRACTUAL GENERAL LIABILITY INSURANCE. CONTRACTOR shall take out and maintain during the life of this contract such comprehensive general liability, products/completed operations hazard, comprehensive automobile liability and contractual general liability insurance as shall protect the CITY, its elective and appointive boards, officers, agents and employees, CONTRACTOR, and any subcontractor performing work covered by this contract, from claims for damage for personal injury, including death, as well as from claims for property damage which may arise from CONTRACTOR or any subcontractor, or by anyone directly or indirectly employed by either CONTRACTOR or any subcontractor's, and the amounts of such insurance shall be as follows:

- Public Liability and Property Damage Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);
- Products/Completed Operations Hazard Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);

- Comprehensive Automobile Liability Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);
- Contractual General Liability Insurance in an amount of not less than TWO MILLION DOLLARS (\$2,000,000);
- or GENERAL AGGREGATE LIABILITY in an amount of not less than FIVE MILLION DOLLARS (\$5,000,000).

A combined single limit policy with aggregate limits in an amount of not less than FIVE MILLION DOLLARS (\$5,000,000) shall be considered equivalent to the said required minimum limits set forth herein above.

(c) **PROOF OF INSURANCE.** The City of Commerce shall be named as "additional insured" on all policies required hereunder, and CONTRACTOR shall furnish CITY, concurrently with the execution hereof, with satisfactory proof of carriage of the insurance required, and adequate legal assurance that each carrier will give CITY at least thirty (30) days' prior notice of the cancellation of any policy during the effective period of this contract. Such insurance shall be primary and noncontributory with any other insurance maintained by the City of Commerce

(d) **NOTICE TO COMMENCE WORK.** The CITY will not issue any notice authorizing CONTRACTOR or any subcontractor to commence work under this contract until CONTRACTOR has provided to the CITY the proof of insurance as required by subparagraph (c) of this article.

ARTICLE X

If any dispute shall arise concerning this Agreement, the prevailing party shall be entitled to attorney fees.

ARTICLE XI

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 Eight-hundred dollars (\$800) 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 Eight-hundred dollars (\$800) 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 Agreement.

ARTICLE XII

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Requirements related to employment and labor relations.

ARTICLE XIII

Upon completion of the PROJECT and acceptance of same by the City Council, the CITY Manager 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 XIV

This contract shall not be assignable, either in whole or in part, by the CONTRACTOR without first obtaining the written consent of the CITY thereto.

ARTICLE XV

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

ARTICLE XVI

If either party to this agreement 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. Attorney's fees shall include reasonable costs for investigating such action conducting discovery and all other necessary cost the court allows, which are incurred in such litigation.

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

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, a Municipal corporation

Signed by: _____
Joe Aguilar, Mayor

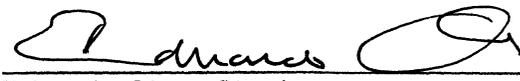
ATTEST:

Signed by: _____
Linda Olivieri, MMC
City Clerk

CONTRACTOR

Signed by:  _____
William Skeffington, President

APPROVED AS TO FORM:

Signed by:  _____
Eduardo Olivo, City Attorney



Since 1961

MAINTENANCE CO., INC.

Lic. #808897

Company Information

2200 S. Yale Street, Santa Ana, CA 92704
Tel: (714) 540-1700 Fax: (714) 540-1709

Job Information

City of Commerce
2535 Commerce Way
Commerce, CA 90040
Attn: Danillo Batson
Phone: 323-722-4805 Ext. 2335
Email: danillob@ci.commerce.ca.us

Option #1
Canning Street
Full 6" R & R

Date: April 30, 2013

We hereby propose to furnish all labor, material, equipment and supervision necessary to complete the following:

DEMO: 66,552 SF

- 1. Demo approx. 66,552 sq. ft. of existing asphalt to a depth of 6", haul away and dispose of debris.

FINE GRADING: 66,552 SF

- 2. Fine grade approx. 66,552 sq. ft. of native soil, compact and prepare for paving.
Note: Existing grades to be +/- 1/10th. Grades will not change.

NEW PAVE: 66,552 SF

- 3. Pave approx. 66,552 sq. ft. with 6" of new hot mix asphalt and machine roll for maximum compaction.

STRIPING:

- 4. Re-stripe per existing.

1-4 COST: \$ 238,667.00

Note: Please include "Exhibit A: Terms & Conditions," signed and dated, when returning proposal contract.

Exclusions:

- Engineering, testing, inspection, permits and cost of same not included.
- This proposal contingent upon installation of improvements quotes on one move-in.
- TERMS: Progressive payments, 100% due upon presentation of invoice.
- All objects, cars and materials must be off surface prior to our arrival.
- Twenty-four hour dry time recommended for slurry seal.
- Job bid per owner's specifications.
- Import or export of fills not included, dirt to balance on-site.

*The price in this proposal is good for 30 days, through May 30, 2013.
Subject to the availability of materials.*

BID # 5590 LW/REV

This Proposal Subject To Terms and Conditions on Second Page Which Must Also Be Signed and Returned.

Payment due upon completion of each phase.

SUBMITTED FOR YOUR APPROVAL

Luke Wheeler
Estimator

ACCEPTANCE OF PROPOSAL

The above prices, specifications, conditions, and terms of payment are accepted. You are authorized to proceed with the described work outlined above.

DATE:

SIGNATURE:



Since 1961

MAINTENANCE CO., INC.

Lic. #808897

Company Information

2200 S. Yale Street, Santa Ana, CA 92704
Tel: (714) 540-1700 Fax: (714) 540-1709

Job Information

City of Commerce
2535 Commerce Way
Commerce, CA 90040
Attn: Danillo Batson
Phone: 323-722-4805 Ext. 2235
Email: danillob@ci.commerce.ca.us

Option #2
Canning Street
2" Grind & 2" P/M OL

Date: April 30, 2013

We hereby propose to furnish all labor, material, equipment and supervision necessary to complete the following:

PETROMAT OVERLAY: 66,552 SF (1 Move)

1. Grind approx. 66,552 square feet of existing asphalt along concrete flow line to obtain proper height elevation for new asphalt.
2. Clean and apply hot PG 64-10 oil and machine install Petro-mat paving fabric.
3. Machine overlay approx. 66,552 sq. ft. of existing asphalt with up to 2" inches of hot asphalt, roll and compact.
4. Re-stripe parking lot back to original layout.

COST: \$ 109,963.00

*** Ben's Asphalt recommends a full removal and replacement**

Note: Please include "Exhibit A: Terms & Conditions," signed and dated, when returning proposal contract.

Exclusions:

- Engineering, testing, inspection, permits and cost of same not included.
- This proposal contingent upon installation of improvements quotes on one move-in.
- TERMS: Progressive payments, 100% due upon presentation of invoice.
- All objects, cars and materials must be off surface prior to our arrival.
- Twenty-four hour dry time recommended for slurry seal.
- Job bid per owner's specifications.
- Import or export of fills not included, dirt to balance on-site.

*The price in this proposal is good for 30 days, through May 30, 2013.
Subject to the availability of materials.*

BID # 5591 LW/REV

This Proposal Subject To Terms and Conditions on Second Page Which Must Also Be Signed and Returned.

Payment due upon completion of each phase.

SUBMITTED FOR YOUR APPROVAL

Luke Wheeler
Estimator

ACCEPTANCE OF PROPOSAL

The above prices, specifications, conditions, and terms of payment are accepted. You are authorized to proceed with the described work outlined above.

DATE:

SIGNATURE:

Ben's Asphalt & Maintenance Co., Inc.

EXHIBIT A: TERMS AND CONDITIONS

ALL TERMS AND CONDITIONS STATED HERE ARE A BINDING PART OF THIS CONTRACT

PAYMENT: It is understood that payment is due upon completion unless otherwise stated otherwise.

- 1 Buyer agrees to pay all court costs and reasonable attorney's fees in the event that this contract is turned over to an attorney for enforcement or collection, and BEN'S ASPHALT, INC. is the prevailing party.
- 2 Any invoice not paid upon completion will be subject to interest of 1.5% per month. An invoice is considered paid when BEN'S ASPHALT has payment in their possession.
- 3 BEN'S ASPHALT warrants that the material to be used will be as specified or equal quality, and that all work shall be performed in a workmanlike manner.
- 4 BEN'S ASPHALT reserves the right to cancel this contract, even though it is signed by one of its representatives, if not approved by its General Manager or its Credit Manager. If not approved, notification will be made no later than seven days from the date the signed contract was received at the office of BEN'S ASPHALT.
- 5 The job site must be ready for commencement of work by BEN'S ASPHALT as scheduled with buyer. This includes, but is not limited to:
 - A The job site must be in the same condition as when the job was bid. Any clean ups or changes that add to our costs may be billed to you as an additional charge. Any increase in square footage or work will be billed at unit cost specified in contract.
 - B BEN'S ASPHALT shall be given the work site free of any debris or vehicles so that work may proceed upon arrival.
 - C Any standing time or delays will be billed as an additional charge.
 - D All landscape water must be turned off (24) hours prior to commencement of work, and must remain off for (48) hours after completion of work to allow for the curing of materials. All areas where work was performed must remain close to foot and vehicular traffic for a minimum of (24) hours after completion of work.
 - E It is the owner's responsibility to notify any tenants or other interested parties at least (48) hours before the start of the project. If it is necessary for buyer to reschedule the job, he must notify BEN'S ASPHALT in writing at least (48) hours in advance. If notice is not given in time, then a "move-in" fee will be charged for all preparations made.
 - F If for any reason beyond the control of BEN'S ASPHALT, an additional move should result, it will be at the rate of:
 - \$300.00 per move for striping work
 - \$1,000.00 per move for slurry seal
 - \$2,400.00 per move for asphalt (patch & repair projects)
 - \$2,000.00 per move for any concrete work
 - \$5,000.00 per move for asphalt work without paving machine (new pave projects)
 - \$5,500.00 per move for asphalt work with a paving machine (new pave projects)
 - G On removal and replacement of existing asphalt, if thickness is more than stated in the contract buyer will be billed for additional thickness.
 - H If any base or subgrade problems, occur buyer will be billed for additional labor, material or equipment required remedying such subgrade problems.
- 6 BEN'S ASPHALT shall not be responsible for the following:
 - A Any permit's, licenses, fees, etc. unless provided in the contract.
 - B Any damages to underground utilities not shown on blue print or marked job site, including gate/signal/safety loops.
 - C Any pavement sinking or setting resulting from failure or setting of subgrade from water erosion, improper grades, or underlying water problems, etc.
 - E No responsibility for drainage at designed or existing fall of less than 1%
 - F No responsibility for damage to rock or subgrade caused by water infiltration.
 - G Any seal materials adhering to oil saturated spots or other substances that cause the seal not to bind properly to the asphalt. Normal cleaning procedures do not include the removal of oils.
 - H Any damage resulting to the seal or asphalt if barricades are removed or taken down prior to the times set forth herein.
 - I Any damage to cars, concrete, shoes, clothes, carports, or other things as a result of going onto the asphalt prematurely.
 - J Any damage that is not the direct result of negligence or willful misconduct of BEN'S ASPHALT.
 - K Any crack filling as it will settle and re-crack even though it is properly applied after the cracks have been filled, they will shop through any slurry coating.
- 7 All expenses incurred by BEN'S ASPHALT in repairing any damage caused by others, shall be added to the original contract price and invoiced as an additional cost.
- 8 BEN'S ASPHALT shall not be responsible for "power steering" or scuff marks on asphalt or seal. This is a normal occurrence (especially in hot weather) and usually blends back in and mends themselves in a few days.
- 9 The Owner or Agent shall hold harmless BEN'S ASPHALT from any and all claims whatsoever involving the property upon which work is to be performed, including property damage, bodily injury, death or any other occurrence other than resulting from sole negligence or willful misconduct of BEN'S ASPHALT.
- 10 Price subject to the availability of asphalt and aggregate base and are contingent upon escalation and trucking costs of these materials thru the good date.

Date: _____

Signature: _____

CITY CONTRACT

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT ("Agreement") entered into this _____, ("Effective Date") is by and between **TRANSTECH ENGINEERS, INC.**, ("CONSULTANT") located at 624 Brea Canyon Road, Walnut, CA 91789 and the **CITY OF COMMERCE**, a Municipal Corporation ("CITY") located at 2535 Commerce Way, Commerce CA 90040;

WITNESSETH

This Agreement is made and entered into with respect to the following facts:

WHEREAS, the City has determined that it requires the services of a professional that can provide professional engineering and design services for the Canning Street Improvements Project;

WHEREAS, the City desires to have a contract in place for these services prior to implementation and construction of said project;

WHEREAS, CONSULTANT represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees;

WHEREAS, CONSULTANT further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

1. Scope of Services and Schedule of Performance

CONSULTANT shall provide City with an on-site public inspector to oversee the Project, which includes but are not limited to asphalt pavement repairs, sidewalk repairs, curb & gutters repairs, installation of ADA ramps and driveway repairs on Canning Street.

2. Warranty

CONSULTANT warrants that the services provided under this Agreement will be performed with the degree of skill and judgment normally exercised by recognized professionals performing services of a similar nature at the time the services were rendered.

3. Term of Agreement

The term of this Agreement shall be for a 90-day period.

4. Compensation and Payment

4.1. So long as CONSULTANT is discharging CONSULTANT's obligations in conformance with the terms of this Agreement, CONSULTANT shall be paid such compensation rates as are set forth in CONSULTANT's May 1, 2013 fee schedule to City attached hereto as Exhibit A and incorporated herein by this reference. CONSULTANT will not be eligible for any paid benefits for federal, social security, state workers' compensation, unemployment insurance, professional insurance, medical/dental, or fringe benefits offered by City.

4.2. Such fees shall be payable following receipt of an itemized invoice for services rendered submitted to City in a timely manner. CONSULTANT shall send and address its bill for fees, expenses, and costs to City to the attention of the City Administrator upon completion of services invoiced to City on a monthly basis.

4.3. Payment by the City to CONSULTANT shall be within 30-days of receipt of approved invoices. Payments will be based on approved invoices which include all required reports and detailed back-up information on all expenses. City shall pay the full amount of such invoice; provided, however, that if City or its City Administrator object to any portion of an invoice, City shall notify CONSULTANT of City's objection and the grounds therefore within thirty (30) days of the date of receipt of the invoice, and the parties immediately shall make every effort to settle the disputed portion of the invoice.

5. Financial Records

CONSULTANT shall maintain complete and accurate records with respect to fees and costs incurred under this Agreement. All such records shall be maintained on a generally accepted accounting basis and be clearly identified and readily accessible for audit or examination. CONSULTANT shall keep, maintain and provide free access to such books and records to examine and audit the same, and to make transcripts thereof as necessary, and to allow inspection of all work data, documents, proceedings and activities related to this Agreement for a period of four (4) years from the date of final payments under this Agreement. All accounting records shall readily provide a breakdown of fees and costs charged to this Agreement.

6. Right of Termination

6.1. City may in its sole discretion terminate this Agreement by providing CONSULTANT with a thirty (30) day written notice.

6.2. CONSULTANT may terminate this Agreement by giving the City a 60-day advance written notice if such termination is necessary.

6.3. With the 60-day written notice of termination, CONSULTANT shall give City a written explanation of the reason that the CONSULTANT believes termination is necessary, and cooperate with the City in an effort to resolve the issue.

6.4. Termination by either party hereunder, shall not relieve CONSULTANT from providing services required to be performed up to the effective date of such termination, nor relieve City of its duty to pay the approved costs, prorated as necessary, to the effective date of such termination, or any other reimbursements, fees or expenses to be paid to CONSULTANT by the terms of this Agreement.

7. Independent CONSULTANT

CONSULTANT is and shall perform its services under this Agreement as a wholly independent CONSULTANT. CONSULTANT shall not act nor be deemed an agent, employee, officer or legal representative of City. Except as otherwise expressly set forth herein, CONSULTANT shall not at any time or in any manner represent that it or any of its agents, employees, officers or legal representatives are in any manner agents, employees, officers or legal representatives of City. CONSULTANT has no authority to assume or create any commitment or obligations on behalf of City or bind City in any respect. This Agreement is not intended to and does not create the relationship of partnership, joint venture or association between City and CONSULTANT. None of the foregoing shall affect any privilege or protection against disclosure which applies to the services CONSULTANT undertakes under this Agreement.

8. CONSULTANT to Provide Required Personnel; Subcontracting

CONSULTANT shall provide and direct the necessary qualified personnel to perform the services required of and from it pursuant to the express and implied terms hereof, with the degree of skill and judgment normally exercised by recognized professional firms performing services of a similar nature at the time the services are rendered, and to the reasonable satisfaction of City. CONSULTANT may not have a subconsultant perform any services required under this Agreement unless the subconsultant is first approved and authorized to perform such work by the City.

9. Responsible Principal and Project Manager

CONSULTANT shall be required to identify a Project Manager for CONSULTANT who shall be responsible for complying with CONSULTANT's obligations under this Agreement and shall serve as principal liaison between City and CONSULTANT. Designation of another responsible principal or project manager by CONSULTANT shall not be made without the prior written consent of City.

10. City Liaison

CONSULTANT shall direct all communications to the Director of Community Development of City or his designee. All communications, instructions and directions on the part of City shall be communicated exclusively through the Director of Community Development or the City Administrator of City or their designees.

11. Licenses

CONSULTANT warrants that it and its employees have obtained all valid licenses and/or certifications generally required of professionals providing services such as the services required under this Agreement by all applicable regulating governmental agencies and are in good standing with such applicable regulating governmental agencies.

12. Compliance with Laws

CONSULTANT shall, and shall ensure that its employees and sub-CONSULTANTS comply with all applicable City, county, state, and federal laws and regulations (including occupational safety laws and regulations) in performing the services required under this Agreement, and shall comply with any directions of governmental agencies and City relating to safety, security, and the like as they pertain to the performance of this Agreement.

13. Insurance

CONSULTANT shall maintain insurance and provide evidence thereof as required by Exhibit C hereto (the "Required Insurance"). CONSULTANT shall also require each of its subconsultants to maintain insurance coverage that meets all of the requirements of this Agreement.

14. Indemnification

14.1 CONSULTANT shall indemnify and hold City and its respective officials, officers, agents and employees harmless from and against any and all liabilities, including but not limited to losses, damages, demands, claims, actions, fees, costs, and expenses City's respective officials, officers, agents and employees hereafter may suffer in connection with any claim, action, or right or action (at law or in equity) because of any injury (including death) or damage to person or property proximately caused by any negligent acts, errors, or omissions by CONSULTANT, its employees, its subconsultants or its agents in the performance of CONSULTANT's obligations under this Agreement. CONSULTANT shall not be liable to the extent that any liability, loss, damage, cost, and expense is caused from an act of negligence or willful misconduct by City or its respective officials, officers, employees or agents. Upon demand, CONSULTANT shall promptly provide a defense to such claims, actions or right of action (at law or equity) and shall promptly pay for all associated and resulting costs, damages, settlements, penalties, judgments, fees and expenses, including attorneys' fees and costs.

14.2. City shall have the right to offset against the amount of any compensation due CONSULTANT under this Agreement any amount due City from CONSULTANT as a result of CONSULTANT's failure to pay City promptly any indemnification arising under this Section and related to CONSULTANT's

CONSULTANT failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

14.3. CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 16 from each and every subconsultant or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subconsultants or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

14.4. City does not, and shall not, waive any rights that it may possess against CONSULTANT because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

15. Confidentiality

CONSULTANT shall maintain as confidential and not disclose to others, either before or after the termination of this Agreement, any data, documents, reports, or other information provided to CONSULTANT by City, or employees or agents of City, or any data, documents, reports, or other information produced by CONSULTANT during its performance hereunder, except as expressly authorized in writing by City, or to the extent required for: (1) compliance with professional standards of conduct for the preservation of the public safety, health, and welfare, but only after CONSULTANT notifies City of such need for disclosure; and (2) compliance with any court order or other government directive or requirement, but only after CONSULTANT notifies City of such an order, directive, or requirement. CONSULTANT shall keep all "Confidential" materials received or generated under this Agreement in separate files marked "Confidential." Any non-compliance by CONSULTANT with this part of the Agreement shall be deemed a material breach of this Agreement. The obligations of this paragraph shall survive the termination of this Agreement.

16. Ownership of Documents

All original documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in the course of providing the services under this Agreement (collectively, the "products") shall become the sole property of City except as prohibited by law, and City shall have authority to publish, disclose, distribute, use, reuse or disposed of the Products in whole

or in part, without the permission of CONSULTANT except as prohibited by law. In the event that this Agreement is terminated by City or CONSULTANT, CONSULTANT shall provide City with any finished or unfinished Products. No documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in whole or in part under this Agreement shall be the subject of an application for copyright or submitted for publication by or on behalf of CONSULTANT. Notwithstanding such ownership, CONSULTANT shall be entitled to make and obtain copies or reproductions of such Products for its own files or internal reference.

17. Data and Services to be Furnished by City

All information, data, records, reports and maps as are in possession of City and necessary for the carrying out of this work shall be made available to CONSULTANT without charge. City shall make available to CONSULTANT members of its staff for consultation with CONSULTANT in the performance of this Agreement. City does not warrant that the information data, records, reports and maps heretofore to be provided to CONSULTANT are complete or accurate and CONSULTANT shall satisfy itself as to such accuracy and completeness. City and CONSULTANT agree that City shall have no liability should any of the information, data, records, reports, and maps be inaccurate, incomplete or misleading.

18. Covenant Against Contingent Fees

CONSULTANT warrants that it has not employed or retained any company or person to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person any fee, commission or percentage from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to terminate this Agreement without liability, or in its discretion, to deduct from the consideration payable to CONSULTANT, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

19. Conflict of Interest

CONSULTANT covenants that neither it nor any officer or principal of its firm have any interests, nor shall they acquire any interest, directly or indirectly which will conflict in any manner or degree with the performance under this Agreement. CONSULTANT further warrants its compliance with the Political Reform Act (Gov. Code § 81000, et seq.) and all other laws, if applicable, respecting this Agreement and that no services shall be performed by either an employee, agent, or a subconsultant of CONSULTANT, who has a conflict relating to City or the performance of services on behalf of City.

20. Other Agreements

CONSULTANT warrants that CONSULTANT is not a party to any other existing agreement that would prevent CONSULTANT from entering into this Agreement or that

would adversely affect CONSULTANT's ability to perform the services under this Agreement. During the term of this Agreement, CONSULTANT shall not, without City's prior written consent, perform services for any person, firm, or corporation other than City if such services could lead to a conflict with CONSULTANT's obligations under this Agreement.

21. Waiver of Breach

No waiver of any term, condition or covenant of this Agreement by City shall occur unless signed by the City Administrator of City and such writing identifies the provision which is waived and the circumstances or period of time for which it is waived. Such waiver shall be for the specified period of time only and shall not apply to any subsequent breach. In addition, such waiver shall not constitute a waiver of any other term, condition or covenant of this Agreement nor shall it eliminate any remedies available to City for any breaches of this Agreement which are not excused by such waiver. A delay in communicating a failure of CONSULTANT to satisfy a term, condition or covenant in no way waives that term or any remedies available for its breach.

22. No Discrimination

In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, subconsultant, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation. CONSULTANT will take affirmative action to ensure that subconsultants and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

23. Captions

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

24. Waiver

The waiver by City or CONSULTANT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or

condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or CONSULTANT unless in writing.

25. Cumulative Remedies

Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be San Bernardino County, California.

26. Assignment

Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by CONSULTANT. Any attempt to so assign or transfer this Agreement or any rights or obligations hereunder without such consent shall be void and of no effect.

27. Attorneys' Fees

In the event arbitration or a judicial proceeding is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

28. Notices

Notices provided hereunder shall be delivered by certified First Class U.S. Mail, postage prepaid, or by personal service as required in judicial proceedings, directed to the address provided below:

For CITY:
City of Commerce
2535 Commerce Way
Commerce, California 90040
Attn: Assistant Director of Public Services

For CONSULTANT:
Transtech Engineering, Inc.
624 Brea Canyon Road

Walnut, CA 91789
Attn: Ali Cayir

Notice shall be deemed received three (3) days after its mailing to the above address or upon actual receipt as indicated by return receipt, whichever is earlier. Personal service shall be deemed received the same day personal delivery is affected.

29. Governing Law

The validity, performance and construction of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California applicable to contracts made to be performed therein. Any litigation commenced by either party to this Agreement shall be venued in Los Angeles County, California.

30. Severability

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

31. No Construction of Agreement Against any Party

Each Party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, it shall not be construed against any Party on the basis such Party drafted this Agreement or any provision thereof.

32. Entire Agreement and Amendments to Agreement

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous communications, negotiations, and agreements, whether oral or written, between the parties with respect to such subject matter, and no addition to or modification of this Agreement or waiver of any provisions of this Agreement shall be binding on either party unless made in writing and executed by CONSULTANT and City.

33. No Representations Except as Expressly Stated in this Agreement

Except as expressly stated in this Agreement, no Party, nor its employees, agents or attorneys have made any statement or representation to any other Party or its employees, agents or attorneys regarding any fact relied upon in entering into this Agreement, and each Party does not rely upon any statement, representation and/or promise of any other Party, its respective employees, agents or attorneys in executing this Agreement.

34. Counterpart Signatures

This Agreement may be executed in one or more counterparts. When this Agreement has been properly signed by an authorized representative of each of the Parties hereto, it shall constitute a valid Agreement, though each of the signatories may have executed separate counterparts hereof.

IN WITNESS WHEREOF, the parties hereto have each executed or caused to be executed this Agreement as of the Effective Date.

CITY OF COMMERCE

DATED: _____, 2013

By: _____
Joe Aguilar, Mayor

ATTEST:

APPROVED AS TO FORM

Linda K. Olivieri, City Clerk

By: Eduardo Olivo, City Attorney

**CONSULTANT, TRANSTECH
ENGINEERS, INC.**

DATED: 5/3/2013

By: 

Ali Cayir, President

EXHIBIT A

FEE SCHEDULE

Inspection Services for Canning Street - City of Commerce				
Inspection days required by City	Inspection per day hrs required by City	Total Inspection Hours	Inspector Billing Rate	Total Billing
12	8	96	\$90	\$8,640
2	16	32	\$90	\$2,880
Total				\$11,520

EXHIBIT B

REQUIRED INSURANCE

On or before beginning any of the services called for by any term of this Agreement, CONSULTANT, at its own cost and expense, shall carry, maintain for the duration of this Agreement, 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 CONSULTANT's obligations to provide indemnity under Section 18 of this Agreement.

1. Comprehensive General Liability And Automobile Liability Insurance Coverage

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

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

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

3. Worker's Compensation

Before execution of the Agreement, CONSULTANT shall file with the City the following signed certification:

"I am aware of the provisions of Section 3700 Labor Code which require every employer to be insured against liability for

workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Service Agreement".

CONSULTANT 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 Agreement by CONSULTANT or any subconsultant.

4. Additional Insureds

The City of Commerce, their officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Agreement. 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 CONSULTANT. Such insurance shall be primary, and noncontributory with any other insurance by the City of Commerce.

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 City of Commerce 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 CONSULTANT

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 CONSULTANT 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 CONSULTANT shall promptly furnish to City all renewal notices and all receipts of paid premiums. In the event of loss, CONSULTANT shall give prompt notice to the insurance carrier and City. City may make proof of loss if not made promptly by CONSULTANT.



AGENDA REPORT

MEETING DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AN AGREEMENT WITH THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (LACMTA) FOR THE EXCHANGE OF SURFACE TRANSPORTATION PROGRAM LOCAL FUNDS (STP-L FUNDS)

RECOMMENDATION:

Approve a resolution approving an agreement with Los Angeles County Metropolitan Authority (LACMTA) for the exchange of Surface Transportation Program Local Funds (STP-L FUNDS) and assign the number next in order.

MOTION:

Move to approve recommendation.

BACKGROUND:

Since STP-L Funds are restricted for transportation projects involving major arterial and state roads only, many cities have difficulties expending their allocations. Therefore, the LACMTA has offered all municipalities in their region the opportunity to exchange these funds for less restrictive funds (flexible LACMTA transportation funds). Several cities have opted and taken advantage of this offer.

ANALYSIS:

The City of Commerce will exchange \$193,689 of STP-L Funds in return for \$189,815 of LACMTA Funds. The City will need to pay a 2% administrative fee (or \$3,874.00) to cover transaction cost.

The exchange is beneficial to both parties for it will allow Commerce to utilize the funds on local roads, not just on arterial or state roads, and it allows LACMTA to use the funds on major county transportation projects.

FISCAL IMPACT:

The administrative fee will be assessed and absorbed by the exchange of funds.

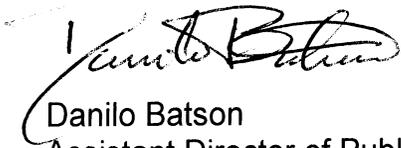
RELATIONSHIP TO 2012 STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: *"Improve and maintain infrastructure and beautify our community"* as identified in the 2012 Strategic Plan.

Respectfully submitted,

Jorge Rifa
City Administrator

Recommended and prepared by:



Danilo Batson
Assistant Director of Public Works

Fiscal impact reviewed by:



Vilko Domic
Director of Finance

Approved as to form:



Eduardo Olivo
City Attorney

Attachments: Resolution
Enclosure B – Exchange Agreement

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING AN AGREEMENT WITH THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY (LACMTA) FOR THE
EXCHANGE OF SURFACE TRANSPORTATION PROGRAM LOCAL FUNDS (STP-L
FUNDS)

WHEREAS, since STP-L Funds are restricted for transportation project involving major arterial and state roads only, many cities have difficulties expending their allocations; and

WHEREAS, the LACMTA has offered all municipalities in their region the opportunity to exchange these funds for less restrictive flexible LACMTA transportation funds; and

WHEREAS, the City of Commerce, along with other municipalities, have opted to take advantage of this offer in the past; and

WHEREAS, the City of Commerce can exchange \$193,689 of SPT-L Funds in return for \$189,815 of LACMTA funds; and

WHEREAS, a 2% administrative fee of \$3,874 will be assessed and absorbed by the exchange of funds; and

WHEREAS, the exchange will be beneficial to both parties for it will allow the City of Commerce to utilize the funds on local roads, not just on arterial or state roads, and it will allow LACMTA to use the STP-L funds on major countywide transportation projects.

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

Section 1. The Agreement between the City and Los Angeles County Metropolitan Transportation Authority for the Exchange of Surface Transportation Program Local Funds is hereby approved. The Mayor is hereby authorized to execute the Agreement for and on behalf of the City of Commerce.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2013.

Joe Aguilar, Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk

EXCHANGE AGREEMENT AND ASSIGNMENT OF FEDERAL SURFACE
TRANSPORTATION PROGRAM – LOCAL FUNDS

This Exchange Agreement and Assignment of Federal Surface Transportation Program – Local Funds (“AGREEMENT”), is made and entered into as of _____, by and between City of Commerce (the “CITY”) and the Los Angeles County Metropolitan Transportation Authority (“LACMTA”).

RECITALS:

- A. CITY is eligible for and has available Federal Surface Transportation Program-Local funds (the “STP-L Funds”).
- B. CITY desires to exchange \$ 193,689 of CITY’s STP-L Funds for a like amount of LACMTA STP-L Local Transportation Funds (the “LACMTA Funds”).
- C. LACMTA is willing to exchange \$ 193,689 in LACMTA Funds for a like amount of CITY’s STP-L Funds subject to the terms and conditions contained herein.
- D. An exchange of CITY’s STP-L Funds with LACMTA Funds is beneficial to and in the general interest of CITY and LACMTA.

NOW THEREFORE, in consideration of the mutual benefits to be derived by CITY and LACMTA and of the promises contained herein, it is hereby agreed as follows:

AGREEMENT:

- 1. CITY hereby assigns to LACMTA \$ 193,689 of CITY’S STP-L Funds. LACMTA shall be authorized to deduct such amount from CITY’s STP-L Fund balance. This assignment shall be automatically effective upon full execution of this AGREEMENT without the necessity of the execution, delivery or recording of any further instrument whatsoever. Notwithstanding the foregoing, at LACMTA’s request, CITY shall execute and deliver such documents and instruments as may be required to evidence such assignment of STP-L Funds.
- 2. LACMTA hereby accepts CITY’s assignment of CITY’s STP-L Funds for use on Federal-aid-eligible project(s), to be determined by LACMTA in its sole and absolute discretion.
- 3. Upon receipt of (i) a fully executed AGREEMENT, (ii) CITY’s written certification of the amount of CITY’s STP-L Fund Balance, as defined herein, which CITY’s STP-L Fund Balance shows that CITY has sufficient STP-L funds to meet its obligations hereunder, and (iii) LACMTA’s deduction of the CITY’s STP-L Funds as provided in paragraph 1 above, LACMTA shall pay CITY \$ 189,815 of LACMTA Funds

which includes the deduction for the processing fee described in paragraph 5 below . For purposes of this AGREEMENT, the CITY's STP-L Fund Balance shall mean the amount of funds contained in CITY's STP-L Fund account as of the date this AGREEMENT is fully executed plus CITY's FY 13/14 apportionment share of STP-L Funds. If the STP-L Fund Balance is insufficient to satisfy CITY's exchange obligations hereunder, CITY hereby authorizes LACMTA to deduct from CITY's future STP-L Funds until LACMTA has in the aggregate received the amount of CITY's STP-L Funds specified in paragraph 1 above.

4. LACMTA will make all disbursements electronically unless an exception is requested in writing. CITY must complete an Automated Clearing House (ACH) form as provided in Exhibit A. Disbursements via ACH will be made at no cost to CITY.

5. CITY shall pay LACMTA a two (2) percent processing and administrative fee ("Processing Fee") in connection with the exchange contemplated by this AGREEMENT. The Processing Fee shall be assessed against the total amount of LACMTA Funds payable to CITY. The CITY hereby authorizes LACMTA to deduct the Processing Fee from the amount LACMTA is to pay CITY hereunder.

6. CITY shall expend the LACMTA Funds on STP-L Eligible Projects by the date that is three (3) years from the date this Agreement is fully executed (the "Lapsing Date") and any LACMTA Funds not expended by the Lapsing Date shall lapse and be returned to LACMTA within thirty (30) days from the Lapsing Date for further programming to third parties as LACMTA determines in its sole discretion.

- A. For purposes of this Agreement, STP-L Eligible Projects shall mean any transportation capital improvements that would normally qualify for the STP-L program, provided however, any federal regulations and standards relating to procurement and other project delivery issues that might apply may be substituted with applicable state and local regulations, standards and policies.
- B. The term "expend" as used in this Section 6 shall mean that the LACMTA Funds have been encumbered by an awarded contract.
- C. If the LACMTA Funds have lapsed and CITY has not returned all or a portion of the lapsed LACMTA Funds to LACMTA, then CITY shall be considered in default and agrees and instructs LACMTA that such outstanding payments shall be paid from CITY funds in the following priority: first, from any unobligated STP-L balance fund, then from CITY's Proposition A local return funds, then from Proposition C local return funds, and then from Measure R local return funds. IF CITY is in default hereunder, in addition to all rights and remedies available to LACMTA at law or in equity and without further notice or ability to cure by the CITY, CITY hereby authorizes LACMTA to withhold the applicable STP-L balance funds or local return funds in the amount needed to satisfy the outstanding amount of lapsed LACMTA funds due and owing to LACMTA prior to LACMTA transferring the balance of such local return funds to the CITY in accordance with the applicable state laws or ordinances.

7. CITY's employee, officers, councilmembers, board members, agents, or consultants (a CITY's Party) are prohibited from participating in the selection, award, or administration of a third-party contract or sub-agreement supported by the exchange funds if a real or apparent conflict of interest would be involved. A conflict of interest would include, without limitation, an organizational conflict of interest or when any of the following parties has a financial or other interest in any entity selected for award: (a) a City Party (b) any member of a City Party's immediate family, (c) a partner of a City Party; or (d) any organization that employs or intends to employ any of the above. This conflict of interest provision will be verified by any LACMTA interim and final audits.

8. LACMTA, and/or its designee, shall have the right to conduct audits of CITY'S use of the LACMTA Funds to determine compliance with terms and conditions of this AGREEMENT. CITY shall establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). CITY shall reimburse LACMTA for any expenditure not in compliance with this AGREEMENT. CITY's records shall include, without limitation, any supporting evidence deemed necessary by LACMTA to substantiate CITY's use of LACMTA funds. These records must be retained by CITY for three years following CITY's last use of the LACMTA Funds.

9. The term of this AGREEMENT shall commence on the date this AGREEMENT is fully executed and, shall terminate once the CITY has expended all the LACMTA Funds and all LACMTA audit and reporting requirements have been satisfied.

10. CITY shall fully indemnify, defend and hold LACMTA and its officers, agents and employees harmless from and against any liability and expenses, including, without limitation, defend costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damages of any nature whatsoever arising out of (i) a breach of CITY's obligations under this AGREEMENT; or (ii) any act or omission of CITY or its officers, agents, employees, contractors or subcontractors in the use of the LACMTA Funds.

11. LACMTA shall fully indemnify, defend and hold CITY and its officers, agents and employees harmless from and against any liability and expenses, including, without limitation, defend costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damages to or loss of risk of property, any environmental obligations, any legal fees and any claims for damages of any nature whatsoever arising out of (i) a breach of LACMTA's obligations under this AGREEMENT; or (ii) any act or omission of LACMTA or its officers, agents, employees, contractors or subcontractors in the use of CITY'S STP-L Funds.

12. This AGREEMENT may be amended or modified only by mutual written consent of LACMTA and CITY.

13. Any correspondence, communication, or contact concerning this AGREEMENT shall be directed to the following:

CITY:

LACMTA:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, California 90012
Attn: David Yale

14. This AGREEMENT shall be interpreted and governed by the laws of the State of California.

15. This AGREEMENT constitutes the entire understanding between the parties with respect to the subject matter herein.

/
/
/

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed by their respective officers as of the date stated below.

CITY:

[INSERT CITY NAME]

By: _____
Name: _____
Its: _____

Date: _____

LACMTA:



AGENDA REPORT

DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING CONTRACTS FOR THE HOME PRESERVATION GRANT PROGRAM [PROJECT NO. 601074-12 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM]

RECOMMENDATION:

Approve and adopt the Resolution approving contracts for the Home Preservation Grant Program (Project No. 601074-12 CDBG Program) and assign the number next in order.

MOTION:

Move to approve recommendation.

BACKGROUND:

On February 7, 2012, the City Council approved the Fiscal Year 2012/2013 CDBG Program funding budget for the Home Preservation Grant Program in the amount of \$100,000. Since then, an amendment was processed to transfer \$55,000 from the Home Preservation Grant Program to the Bristow Resurfacing Project in order to fully expend the grant funds. Expending CDBG funding in a timely manner is an integral part of continuing to keep the City's CDBG Program funding in compliance with the County's requirements.

The CDBG funding allows the City to maintain a core group of vital housing activities for the much needed home improvements that exists Citywide. The City's Community Development Department staff has already expended CDBG funding in the amount of \$1,025 to conduct lead and asbestos testing on two (2) homes, in order to prepare the proposed construction contracts for each of these home improvement construction cases. In addition, lead or asbestos were not detected on the components that will be disturbed during the rehabilitation of the homes. These proposed home improvement cases involve, but are not limited to the following items: roofing, windows, electrical and other home improvements.

The scope of work for each of these home improvement cases was circulated to an approved list of contractors maintained in the City's Community Development Department database of licensed contractors and prepared per the City's Planning and Building Department requirements and in compliance with the County of Los Angeles Community Development Block Grant Program guidelines to advertise for bids.

ANALYSIS:

The following low bids were received and are being recommended by Staff for Council Approval:

CONSTRUCTION BIDS			
	Company Name	Property Address	Total Bid Amount
1.	J.A.R. General Contractors, Downey, CA	2220 Hepworth Avenue	\$9,000.00
2.	A-Custom Construction, Commerce, CA	5761 Bartmus Street	\$14,220.00
		Subtotal:	\$23,220.00

After the evaluation of all bids received, Staff respectfully recommends that two (2) contracts be awarded to each of the low bidders for a grand total of \$23,220 to provide Home Preservation Grant Program construction improvements.

FISCAL IMPACT:

There are no expected contingencies for these Home Preservation Grant Program cases. These activities can be carried out with the Federal CDBG funds and do not impact the City's General Fund. The account number that the funds are available in is as follows:

29-2910-71715.10337 – Home Preservation Program Construction CDBG fund

RELATIONSHIP TO 2009 STRATEGIC GOALS:

The agenda report is in furtherance of Council's strategic goal to "Protect and Enhance Quality of Life in the City of Commerce." The City's ability to maintain its infrastructure in an effective and efficient manner directly/indirectly impact quality of life issues of our community.

Recommended by:


Alex Hamilton
Assistant Director of Community Development

Respectfully submitted,


Jorge Rifa
City Administrator

Prepared by:


Viviana Molinar
Community Development Assistant

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 CONTRACTS FOR THE HOME PRESERVATION PROGRAM [PROJECT
NO. 601074-12 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM]**

WHEREAS, on February 7 2012, the City Council approved Community Development Block Grant Program funding for the Home Preservation Program (601074-12) to include home improvement activities involving, but not limited to the following items: roofing, windows, plumbing, electrical, painting and other improvements to the homes; and

WHEREAS, the bidding process for these contract awards was conducted in accordance with the City's Home Preservation Program Guidelines and County CDBG Program Guidelines; and

WHEREAS, after careful examination and evaluation of two (2) bids received, City staff determined that the lowest responsible bidders for each of the Home Improvement Grant Program cases (the "Successful Bidders") are as follows:

CONSTRUCTION BIDS			
	Company Name	Property Address	Total Bid Amount
1.	J.A.R. General Contractor, Downey, CA	2220 Hepworth Avenue	\$9,000.00
2.	A-Custom Construction, Commerce, CA	5761 Bartmus Street	\$14,220.00
		Subtotal:	\$23,220.00

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

Section 1. The recitals set forth above are true and correct.

Section 2. The bids received by the Successful Bidders are hereby accepted. Contracts between the City and the Successful Bidders in the amount of their bids are hereby approved.

Section 3. The Mayor is hereby authorized and directed on behalf of the City of Commerce to execute the two (2) Contracts with the Successful Bidders for and on behalf of the City.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2013.

Joe Aguilar, Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk

**CDBG Funded
Home Preservation Program Agreements**

The following projects have been approved under the Home Preservation Grant Guidelines and shall be entered into a Home Preservation Grant Program Agreement for Rehabilitation:

CONSTRUCTION BIDS			
	Company Name	Property Address	Total Bid Amount
1.	J.A.R. General Contractor, Downey, CA	2220 Hepworth Avenue	\$9,000.00
2.	A-Custom Construction, Commerce, CA	5761 Bartmus Street	\$14,220.00
		Subtotal:	\$23,220.00

HOUSING PRESERVATION PROGRAM AGREEMENT

CITY OF COMMERCE HOUSING PRESERVATION PROGRAM

THIS HOUSING PRESERVATION PROGRAM AGREEMENT ("Agreement") which is dated as of _____, 2013 (the "Effective Date") is entered into by and between the CITY OF COMMERCE, a public body, corporate and politic ("City") and _____ ("Owner(s)"). Owner and the City agree as follows:

Section 1. Owner(s) acknowledges that (i) Owner(s) received a copy of and read the Housing Preservation Program and (ii) Owner has completed a Housing Preservation Program Application ("Application") and submitted the Application to the City.

Section 2. Owner(s) acknowledges that it has met with the City staff members and Owner agrees that Owner(s)'s home, which is located at _____, **Commerce, CA 90040** ("Property"), needs certain repairs and improvements, which are listed in Exhibit 1 to this Agreement ("Work").

Owner(s) agrees that the total estimated cost of completing all the Work is Dollars (\$0.00) as described in Exhibit 1 (the "Contract Price") and Owner(s) understands that the City will provide the full amount of these funds in the form of a grant ("Grant") to Owner(s).

Section 3. By filling out the Application provided to Owner(s) by the City when Owner(s) first requested assistance in rehabilitating the Property, Owner(s) provided the City with certain information about Owner(s)'s total income, the names of the person's who will be living on the Property (these people and only these people, are members of Owner(s)'s "household"), and the total income of all of the members of Owner(s)'s household. In addition, Owner(s) represented to City that Owner(s), and all the members of Owner(s)'s household, live at the Property as their primary place of residence. This information is very important to the City and, in fact, the City decided to provide Owner(s) the Grant to complete the Work described in Exhibit 1 based upon this information, which Owner(s) has provided under penalty of law.

If any of the information provided in the Application has changed, it is Owner(s)'s responsibility to inform the City, in writing, of the change prior to signing this Agreement. By signing this Agreement Owner(s) is stating that the information Owner(s) provided the City in the Application was correct at the time Owner(s) filled out the Application and remains correct, or Owner(s) has corrected it, in writing, at the time Owner(s) signs this Agreement.

Section 4. This Agreement is between Owner(s) and the City. Owner(s) specifically agrees to comply with all City ordinances, rules and regulations pertaining to the Property.

Section 5. This Agreement is governed by the laws of the State of California. Any legal action brought under this Agreement must be instituted in the appropriate California State court in Los Angeles County, California.

Section 6. Notices under this Agreement shall be to the addresses set forth below:

City of Commerce
2535 Commerce Way
Commerce, CA 90040
Atte: Assistant Director of Community Development

Homeowner Name
Address Line 1
Commerce, CA 90040

Section 7. Indemnity. Owner(s) shall defend, indemnify and hold City, its officers, directors, agents, servants, attorneys, employees and contractors harmless from and against any liability, loss, damage, costs or expenses arising from or as a result of the Work carried out or completed on the Property or arising from or as a result of this Agreement.

Section 8. Right of Access. For the purposes of assuring compliance with this Agreement, representatives of the City shall have reasonable rights of access to the Property, without charge, during day light hours, until the City determines that the Work is complete.

Section 9. Schedule of Performance. Work shall be completed no later than 120 days from the execution of this Agreement.

IN WITNESS WHEREOF, the parties hereto have each executed or caused to be executed this agreement as of the Effective Date

OWNER(S)

By: _____

CITY OF COMMERCE

By: _____
Joe Aguilar
Mayor

Attest:

Linda K. Olivieri
City Clerk

Approved as to form:

Eduardo Olivo
City Attorney

EXHIBIT 1

**LIST OF ITEMS TO BE REPAIRED, REPLACED, OR CONSTRUCTED
AND TOTAL COST OF REHABILITATION
("WORK")**

AGREEMENT FOR REHABILITATION

THIS AGREEMENT ("Agreement") is entered into on _____, 2013, by _____ ("HOMEOWNER(S)"), _____ ("CONTRACTOR"), and the CITY OF COMMERCE ("CITY").

A. Scope of Work and Compensation

Contractor agrees to commence and complete the work identified in the Scope of Work set forth in Exhibit 1 (the "Work"), which is attached hereto and incorporated herein by reference, for the Contract Price of \$ (_____ Dollars). The Work is to be completed for the residence located at **Commerce, CA 90040**. Contractor shall perform the Work in compliance with the City's General Conditions, which are attached hereto as Exhibit 2 and incorporated herein by reference. Contractor shall furnish all permits, labor, materials and supplies necessary to complete the Work in accordance with all plans and specifications. Contractor hereby agrees to commence the Work within 30 consecutive days from the date of this Agreement.

Contractor agrees to complete all Work described in Exhibit 1 within 120 days from the date of this Agreement.

Owner agrees to pay Contractor, through release of funds from a grant provided by the City, within a reasonable amount of time following receipt of an invoice, accompanied by a Material/Labor Lien release form and final permit (if applicable) from Contractor. Contractors may submit up to two progress payments for Work and/or materials totaling up to ninety percent (90%) of the contract amount. A final payment invoice along with a Material/Labor release form and a final permit (if applicable) shall be submitted for payment no later than 10 days after all work has been completed.

B. Notice to Proceed

Contractor will receive a Notice to Proceed for the approved Scope of Work after all plans (if necessary) have been reviewed and approved by the City's Planning and Building Departments and Contractor has received all necessary permits. Contractor must provide the City with a copy of such final permits and approved plans in order to receive the Notice to Proceed. Contractor agrees to complete the Work by no later than 120 days from the execution of this Agreement.

C. Liquidated Damages

If Contractor fails to complete the Work by the Completion Date specified in the written "Notice to Proceed," Contractor shall pay Owner liquidated damages which will be assessed and deducted from the amount owed to Contractor. The liquidated damages will begin on the fifth calendar day after the Completion Date, at the rate of One Hundred Dollars and 00/100 (\$100.00) per week or any portion thereof, until the Work is completed. The term "complete" shall mean the completion of all line items in the Scope of Work and receipt of final signature from the City of Commerce building

inspector. The parties acknowledge that the delay in completing the Work will have a substantial detrimental impact on the Owner and that it is not possible to precisely fix the damages Owner will incur. The liquidated damages specified by this section are a reasonable estimate of those damages and do not represent a penalty.

Contractor agrees that if the Owner has any complaints about the Work during the 12 month period after completion of the Work (date Notice of Completion is recorded and/or final inspection date of the property), the Owner is to contact the Contractor who shall correct such items that have been inadequately completed as specified within the Scope of Work. **The City should only be contacted if the Contractor fails to make the necessary correction(s) within a reasonable time.** The City shall not be required to correct the Work deficiencies or to fulfill Contractor's obligations.

D. Independent Contractor

Contractor is and shall perform its services under this agreement as a wholly independent contractor. Contractor shall not act nor be deemed an agent, employee, officer or legal representative of Owner or the City. This agreement is not intended to and does not create the relationship of partnership, joint venture or association between Owner and Contractor or the City and Contractor.

E. Contractor to Provide Required Personnel; Subcontracting

Contractor shall provide and direct the necessary qualified personnel to perform the Work required of and from it pursuant to the express and implied terms hereof, with the degree of skill and judgment normally exercised by recognized professional firms performing work of a similar nature at the time the Work is completed. Contractor may not have a subcontractor perform any services required under this agreement unless the subcontractor is first approved and authorized to perform such Work under Exhibit 1.

F. Licenses

Contractor warrants that it and its employees have obtained all valid licenses and/or certifications generally required of professionals performing the Work such as all applicable regulating governmental agencies and are in good standing with such applicable regulating governmental agencies.

G. Compliance with Laws

Contractor shall ensure that its employees and its subcontractors, if any, comply with all applicable city, county, state, and federal laws and regulations (including occupational safety and environmental laws and regulations) in performing the Work and shall comply with any directions of governmental agencies and City relating to safety, security, and the like.

H. Insurance

Contractor shall maintain insurance required by Section 13 of the General Conditions (Exhibit 2) and provide evidence thereof to the City prior to commencing construction.

I. Indemnification

Contractor shall indemnify and hold Owner and the City, and its respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses they hereafter may suffer in connection with any claim, action, or right of action (at law or in equity) because of any injury (including death) or damage to person or property proximately caused by any negligent acts, errors, or omissions by Contractor's employees, its subcontractors or its agents in the performance of the Work hereunder. Contractor shall not be liable to the extent that any liability, loss, damage, cost, and expense is caused solely from an act of negligence or willful misconduct by Owner or the City, or their respective officials, officers, employees or agents. Upon demand, Contractor shall promptly provide a defense to such claims, actions or right of action (at law or equity) and shall promptly pay for all associated and resulting costs, damages, settlements, penalties, judgments, fees and expenses, including attorneys' fees and costs.

J. Attorney's Fees and Costs

In the event arbitration or a judicial proceeding is initiated to enforce the terms of this agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

K. Governing Law

The validity, performance and construction of this agreement shall be governed by and interpreted in accordance with the laws of the State of California. Any litigation commenced by either party to this agreement shall be brought in Los Angeles County, California.

IN WITNESS WHEREOF, the parties hereto have each executed or caused to be executed this agreement as of the Effective Date.

Contractor Signature

Owner Signature

Contractor Name

Property Owner Name

Contractor Address

Property Address

City, State, Zip Code

Commerce, CA 90040
City, State, Zip Code

Contractor's Telephone Number

Owner's Telephone Number

State License No.
Business License No.
Federal Income Tax I.D. No.

CITY OF COMMERCE

Joe Aguilar
Mayor

Attest:

Linda K. Olivieri
City Clerk

Approved as to form:

Eduardo Olivo
City Attorney

CITY OF COMMERCE

GENERAL CONDITIONS TO THE AGREEMENT FOR REHABILITATION

EXHIBIT 2

1. Definitions.

Wherever used in the Agreement or these General Conditions, the following meanings shall be given to capitalized terms.

1.1 The term "Agreement" means and shall include the following:

1.1.1 The Agreement for Rehabilitation;

1.1.2 Exhibits (if any);

1.1.3 these General Conditions;

1.1.4 any Addendum to the General Conditions;

1.1.5 any Amendments to any of the above; and

1.1.6 Change Orders.

1.2 The term "Amendment" means the changes, revisions, or clarifications of the Agreement which have been signed by Owner and Contractor, and approved by the City of Commerce (CITY).

1.3 The term "Bid Proposal" means the bid proposal dated _____, 2013 submitted by the Contractor and accepted by the Owner.

1.4 The term "Change Order" means a revision of the Work signed by Owner and Contractor, and approved by CITY, after the start of the Work.

1.5 The term "Contractor" means the person, firm or corporation entering into the Agreement with Owner to perform the Work.

1.6 The term "Day" means calendar day.

1.7 The term "CITY" shall mean the City of Commerce, a public body, corporate and politic.

1.8 The term "Owner" means the legal owner or owners of the Site where the Work is to be performed.

1.9 The term "Site" means the location of the improvements where the Work is to be performed.

1.10 The term "Work" means the construction and services required by the Agreement, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by Contractor to fulfill Contractor's obligations.

1.11 The term "Working Day" means calendar days excluding weekends and federal and/or state holidays.

2. Contractor.

2.1 **Eligibility.** Contractor represents that: (a) Contractor's California state contractor's license number listed on Contractor's Bid Proposal and the Agreement is current; (b) Contractor has a current City of Commerce business license; (c) Contractor carries insurance in accordance with the requirements of the Agreement and (d) Contractor possesses the skill, experience and expertise necessary to complete the Work in accordance with the Agreement. Contractor further represents that it is not listed on the Disbarred and Suspended Contractor's List of the United States Department of Housing and Urban Development, the City of Commerce, COMMISSION or any other public Agency, and Contractor agrees not to hire any subcontractor or supplier that is so listed.

2.2 **Best Skill.** Contractor shall supervise and direct the Work using its best efforts, skill and attention to ensure the workmanship and materials are of good quality and that the Work is completed in accordance with the Agreement. Contractor shall be solely responsible for all construction means, methods, techniques, sequences and procedures; safety on the job; and coordinating all portions of the Work to be performed by Contractor's laborers, employees and subcontractors, if any.

2.3 **Agents.** Contractor shall be responsible to Owner for the acts and omissions of its employees, subcontractors and their agents and employees, and of all other persons performing any of the Work under a contract with or the control of Contractor.

2.4 **Indemnification.** To the fullest extent permitted by law, Contractor shall indemnify, hold harmless, protect, and defend Owner, the City of Commerce, and all other persons or organizations engaged or cooperating in the performance of the Work, and each of their officers, directors, shareholders, partners, representatives, employees and agents (all of which persons and organizations are referred to herein collectively or individually as "Indemnities") from and against any and all claims, demands, causes of action, losses, damages, liabilities, costs, expenses, liens, judgments or obligations whatsoever, including, without limitation, attorneys', consultants' and experts' costs and fees, resulting from or in any way connected, in whole or in part, with the performance of or failure to perform any obligations under the Agreement, or the acts, errors or omissions of Contractor, any subcontractor, or the officers, partners, employees, consultants or agents of any of them or by anyone for whose acts they may be liable. This indemnity obligation shall apply regardless of whether or not the event-giving rise to the indemnity obligation is caused in part by the negligence of an Indemnities, but shall not apply when the loss is caused solely by the negligence or willful misconduct of an Indemnities. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity or contribution, which would otherwise exist as to any party or person pursuant to the Agreement.

3. Subcontractors and Employees.

3.1 **Coordination.** Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the Work to require compliance by each subcontractor with applicable provisions of the Agreement.

3.2 No Contractual Relationship. Nothing contained in the Agreement shall create any contractual relationship between any subcontractor and Owner.

4. Changes in the Work.

4.1 Signed by Parties. No Change Orders are permitted and/or effective unless signed by Owner and approved by the CITY.

4.2 Change Order. Except for the purpose of affording protection against any emergency endangering life or property, Contractor shall make no change in the Work, nor provide any extra or additional labor, service, or material beyond that actually required for the execution of the Work, unless pursuant to a written order from Owner, which order has been approved by the CITY. No claim for an adjustment of the contract price shall be valid unless so ordered.

4.3 Contents. Each Change Order shall include a detailed description of the change in the Work, the agreed-to change in price and/or time for completion thereof, and a statement that all Work shall be performed in accordance with the Agreement as modified by the Change Order.

4.4 Work after Termination of Agreement. Owner and Contractor shall not enter into any other contract or otherwise undertake any work on the Site not included in the Work or a Change Order executed pursuant hereto until a Notice of Completion has been recorded. Additional Work not included in the Work or a Change Order may be negotiated separately between Owner and Contractor or any other contractor, only after recordation of a Notice of Completion.

5. Inspection of the Work

5.1 Inspection. Owner and Contractor shall permit the CITY to examine and inspect the Work during normal business hours and at any stage of construction.

5.2 THE CITY's Review. The exercise by the CITY of its right to review the progress of the Work is solely for the purpose of monitoring its conformity with the Agreement and the Program requirements pursuant to which THE CITY's financial assistance has been provided. Specifically, the CITY may (a) determine whether the work by Contractor is in compliance with the Agreement; (b) stop the work, if reasonably necessary, and (c) reject all work and materials, which do not conform to the requirements of this Agreement. The CITY does not have, and hereby expressly disclaims, the duty for any review of the Work for the purpose of determining compliance with building codes, safety features or standards or for the purpose of determining or approving engineering or structural design, sufficiency or integrity. The CITY's approval or authorization of a direction or request to change the plans, specifications or drawings submitted by Owner and/or Contractor is not and shall not be a review or approval of the quality, adequacy or suitability of such plans, specifications or drawings, nor of the labor, materials, services or equipment to be furnished or supplied in connection therewith. The CITY does not have and expressly disclaims any right of supervision or control over Owner, Contractor, any subcontractor, trades, or any other persons and professionals responsible for the formulation or execution of the Work. The CITY's approval of the Agreement or any subsequent amendment of the Agreement is not an endorsement or guarantee by the CITY of Contractor or the Work.

5.3 Right of Access. During normal construction hours, representatives of the CITY shall have the reasonable right of access to the Site without charges or fees for the purpose of inspecting the Work. The CITY hereby agrees to indemnify and holds Owner and Contractor harmless from and against any loss, cost, damage or liability, including, without limitation, reasonable attorneys' fees, which result from the exercise by the CITY, or any party acting under the CITY's authority, of the rights granted by this Section.

6. Payment

6.1 Not Acceptance. No progress payment, nor any partial or entire use or occupancy of the Site by Owner, shall constitute an acceptance of the whole or any part of the Work.

6.2 Joint Payments. Owner and/or the CITY shall have the right, in their sole discretion, to make payments jointly to the order of Contractor and any subcontractor unless Contractor (a) is not in default and (b) requests Owner not to do so as a result of Contractor's good faith dispute with such subcontractor.

6.3 Withholding Payment. Owner or the CITY may withhold payment if in the opinion of Owner or the CITY the Work has not been performed in accordance with the Agreement. In such case, Owner shall notify Contractor of such deficiency. Owner or the CITY may also withhold payment to such extent as they deem necessary to protect Owner from loss because of:

6.3.1 defective Work not remedied;

6.3.2 third party claims filed or reasonable evidence indicating probable filing of such claims;

6.3.3 failure of Contractor to make payments properly to subcontractors or for labor, materials or equipment;

6.3.4 reasonable doubt that the Work can be completed for the unpaid balance of the contract price;

6.3.5 reasonable evidence that the Work will not be completed within the time agreed upon, and that the unpaid balance would not be adequate to cover actual and liquidated damages, if any, for the anticipated delay;

6.3.6 insufficient documentation, erroneous estimates of the value of the Work performed or other false or incomplete statements by Contractor; or

6.3.7 persistent failure of Contractor to perform any term or condition of the Agreement.

6.4 Withholding by Law. The provisions of this Section shall not lessen or diminish, but shall be in addition to, the right or duty of Owner to withhold any payments under applicable provisions of law respecting the withholding of sums due to contractors.

6.5 Release of Payment. When the above grounds are removed, payment shall be made for amounts withheld because of them.

6.6 Limitation to Withholding. Owner shall not withhold payment from Contractor for any amounts owing and not subject to dispute or offset.

6.7 Retentions. The CITY reserves the right to retain ten-percent (10%) of lump sum or partial payments. Retention payments due Contractor will be paid within 35 to 45 Days after the later of (a) the CITY and Owner complete necessary inspections, (b) a Notice of Completion has been recorded, (c) Owner has received satisfactory releases of liens or claims for liens by Contractor, subcontractors, laborers, and material suppliers for completed Work or installed materials, and (d) all disputes have been resolved.

7. **Stop Order.** If Contractor fails to correct Work which is not in accordance with the requirements of the Agreement, or persistently fails to carry out the Work in accordance with the Agreement, Owner or the CITY, by written order, may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of Owner and the CITY to stop the Work shall not give rise to a duty on the part of Owner or the CITY to exercise this right for the benefit of Contractor or any other person or entity.

8. **Termination of Agreement.**

8.1 **Diligent Prosecution.** If Contractor refuses or fails to prosecute the Work with such diligence as will ensure its completion within the specified time or otherwise in accordance with the provisions of the Agreement, or if the workmanship is of substandard quality, then Owner, by written notice to Contractor, may declare Contractor in default. If Contractor fails to remedy such default within fifteen (15) days of the date of such notice, Owner shall have the right to terminate the Agreement and select one or more substitute contractors acceptable to the CITY to finish the Work in accordance with Section 8.3.

8.2 **Work Stoppage.** If Contractor ceases to perform actual Work for a period of twenty (20) Days or more without an excusable delay pursuant to Section 9, then Owner, by written notice to Contractor, may terminate the Agreement and Contractor's right to proceed with the Work.

8.3 **Damages.** Upon termination, pursuant to 8.1 or 8.2, Owner may engage a substitute qualified licensed contractor to take over the Work and prosecute the same to ensure completion, and Contractor and its sureties (if any) shall be liable to Owner for any cost above the Contract Price, as described in Section A in the Rehabilitation Agreement, incurred by Owner to complete the Work. Contractor shall pay such amount (if any) to Owner within ten (10) days written demand therefore. Furthermore, payment for a completed portion of the Work performed by the terminated Contractor shall be withheld until the Work is one-hundred percent (100%) completed and shall not be paid until all other costs and claims pertaining to the Work have been paid. If any amount is left over from the Contract Price after all other costs and claims have been paid, that amount shall become payment in full to the terminated Contractor for all its portion of the Work performed, and shall be paid to it within thirty (30) days after satisfactory completion of the Work and payment of all claims. In no event shall said terminated Contractor receive any amount more than is equitable for Work performed as determined by the CITY or any arbitrator, mediator or court of law exercising jurisdiction over the matter, or any amount which will cause Owner additional cost, above the total Contract Price, as determined by the CITY or any arbitrator, mediator or court of law exercising jurisdiction over the matter.

8.4 **Possession of Equipment.** If Contractor's right to proceed is so terminated, Owner may take possession of and utilize in completing the Work such materials as may be on the Site and necessary for the completion of the Work.

9. **Excusable Delays.**

Contractor shall not be charged with liquidated damages for any delays in the completion of the Work, and the date of completion shall be extended for delays, due to:

9.1 Any acts of Government, including controls or restrictions upon or requisitioning of materials, equipment, tools or labor by reason of war, National Defense, or any other national emergency;

9.2 Any acts of Owner;

9.3 Causes not reasonably foreseeable by parties to the Agreement at the time of execution of the Agreement which are beyond the control and without the fault or negligence of Contractor, including but not restricted to, acts of God or of the public enemy; acts of another contractor in the performance of some other agreement with Owner; fires; floods; epidemics; quarantine restrictions; strikes; freight embargoes; and weather of unusual severity such as hurricanes, tornadoes, cyclones and other extreme weather conditions; or

9.4 Any delay of an authorized subcontractor occasioned by any of the causes specified in Sections 9.1, 9.2, and 9.3 above, provided that Contractor promptly (in any event within ten (10) Days) notifies Owner and the CITY in writing of the cause of the delay.

9.5 If the facts show delay to be properly excusable under the terms of the Agreement, Owner and the CITY shall extend the time for substantial completion of the Work by a period commensurate with the period of excusable delay.

10. Liquidated Damages for Delay.

Because actual damages for any delay in completion of the Work which Contractor is required to perform under the Agreement are impracticable and extremely difficult to fix, Owner and Contractor agree that Contractor shall be liable for and shall pay to Owner the sum of one hundred dollars (\$100.00) as fixed, agreed and liquidated damages for each Working Day of delay from the date stipulated for completion in Section A of the Agreement for Rehabilitation, or as modified in accordance with Section 4, "Changes in the Work," of these General Conditions until such Work is satisfactorily completed and accepted. Owner is solely responsible for levying and collecting such payment for damages.

Owner and Contractor further agree that One Hundred Dollars (\$100.00) per Working Week is a fair and reasonable estimate of such damages under the circumstances existing as of the date hereof and that such sum is not construed in any sense as a penalty. The parties further agree that said liquidated damages for delay shall be owners' sole and exclusive remedy for such delay.

Contractor's Initials

Owner's Initials

11. General Guarantee and Warranty.

11.1 Warranty. Contractor warrants to Owner that materials and equipment furnished under the Agreement will be of good quality and new unless otherwise required or permitted by the Agreement, and that the Work will be free from defects. Work not properly approved and authorized may be considered defective. If required by Owner, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment used in the Work. Prior to the release of the final payment, Contractor shall secure, assign to and deliver to Owner written warranties and guaranties, if any, from its subcontractors and suppliers bearing the date of substantial completion or such other date as may be agreed to by Owner and stating the applicable period of warranty. Contractor is responsible for the warranty of the Work as set forth in this Section, whether performed by it or by its subcontractors.

11.2 Title. Contractor warrants the title to the Work will pass to Owner no later than the time of payment. Contractor further warrants that upon final payment all Work shall be free and

clear of liens, claims, security interests or encumbrances in favor of Contractor, its employees, subcontractors, material suppliers or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work.

11.3 Guarantee. The Work will be guaranteed for a period of one (1) year from date of final acceptance of all Work required by the Agreement. If during this twelve (12) month period Owner has any complaints concerning the Work, Owner shall contact Contractor directly to correct the items. **DO NOT CALL THE CITY COMMERCE.**

11.4 Prompt Remedy. Contractor shall promptly remedy any defects in the Work and shall pay for any damage to other Work resulting there from which may appear within a period of one (1) year from the date of final acceptance of the Work unless a longer period is specified. Owner will provide notice of observed defects with reasonable promptness.

11.5 No Acceptance. Neither the final payment nor any provision in the Agreement, nor partial or entire use or occupancy of the Site by Owner or resident shall constitute an acceptance of Work not performed in accordance with the Agreement, or relieve Contractor of liability with respect to any express warranties or responsibility for failure to comply with the terms of the Agreement.

12. Conciliation / Arbitration

12.1 Conciliation. If any dispute, controversy or claim arises out of or relates to the Agreement, and if conciliation would be helpful to resolution of such dispute, the parties agree first to try to settle the dispute by conciliation before resorting to arbitration. The parties agree that if such a dispute arises, they will notify the CITY of such dispute, and meet with the CITY in a good faith effort to settle the dispute by conciliation. Thereafter, any dispute, controversy or claim not resolved by conciliation shall be submitted to arbitration as provided in Section 12.2.

12.2 Arbitration. All claims or disputes between Owner and Contractor arising out of or related to the Work that either were not referred to conciliation or cannot be settled by conciliation shall be decided by arbitration in accordance with the construction industry arbitration rules of the American Arbitration Association then obtaining, unless the parties mutually agree otherwise. Notice of the demand for arbitration shall be filed in writing with the other party to the Agreement, and shall be made within thirty (30) Days after either the recommendation by the CITY that the dispute not be conciliated or termination of the parties' attempt to conciliate the dispute. The matter shall be referred to mediation for arbitration. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. If the arbitrator's award is in a sum, which is less than that which was offered in settlement by Contractor, the arbitrator may award reasonable costs and attorney's fees in favor of Contractor. If the award of the arbitrator is in a sum greater than that which was offered in settlement by Owner, the arbitrator may award reasonable costs and attorney's fees in favor of Owner. In all other cases, the Owner and the Contractor shall share costs equally. In the event any party refuses to arbitrate or to cooperate with the arbitrator by failing to prepare for an arbitration hearing within a reasonable time not less than thirty (30) days as determined with the discretion of the arbitrator following filing of a notice of demand to arbitrate by the other party pursuant to this Section 12.2, then such party shall be deemed in default of the Agreement and the non-defaulting party may pursue all available remedies at law and/or equity.

13. Insurance

13.1 Comprehensive General Liability. Contractor shall at all times during the term of the Agreement maintain Comprehensive General Liability insurance written on an occurrence (not claims-made) basis covering all operations on behalf of Owner, including operations under subcontracts, and providing insurance for personal injury liability, bodily injury liability, sickness,

disease or death of any persons and property damage liability, including loss of use, for a Combined Single Limit of \$1,000,000 for general liability, and including coverage for:

- (a) Premises and operations;
- (b) Products and completed operations;
- (c) Contractual Liability insuring the obligations assumed by Contractor in the Agreement;
- (d) Broad form property damage (including completed operations);
- (e) Explosion, collapse and underground hazards;
- (f) Personal injury liability; and
- (g) Independent contractors.

Except with respect to bodily injury and property damage included within the products and completed operations hazards, the aggregate limit, where applicable, shall apply separately to Contractor's work under the Agreement.

13.2 Worker's Compensation. Contractor and its subcontractors shall carry or require that there be carried Workers' Compensation for all its employees and those of its subcontractors in form and amount as required by California's Worker's Compensation Laws.

13.3 Evidence of Insurance. The evidence of insurance shall be Certificates of Insurance, with endorsements naming Owner, the City of Commerce, and the CITY as additional insured on said insurance policies. Such certificates shall provide that said policy or policies shall not be canceled or non-renewed until after a minimum of ten (10) Days prior written notice to the CITY.

13.4 Verification of Insurance. If the CITY wishes to verify the existence and effectiveness of the foregoing policies, Contractor agrees to furnish the CITY with the mailing address, or addresses, of such insurance company or companies as is appropriate and, further, consents to allow THE CITY and/or Owner the right to verify such policies.

14. Permits.

Contractor shall obtain and pay for all permits and licenses necessary for the execution of the Work.

15. Codes.

Contractor shall give all notices required by, and perform all the Work in conformance with, applicable laws, ordinances and codes of the local government, whether or not covered by the specifications and drawings for the Work. Contractor shall not be held responsible for pre-existing violations of any law including, but not restricted to, zoning or building codes or regulations. Before beginning the Work, Contractor shall examine the description of the Work for compliance with applicable laws, ordinances and codes for the new or replaced Work and shall immediately report any discrepancy to the CITY and Owner. Where the requirements of the Work fail to comply with such applicable laws, ordinances or codes for the new or replaced Work, Owner and the CITY shall adjust the Agreement by Change Order to conform to such laws, ordinances, or codes and make

appropriate adjustments to the contract price, unless waivers in writing covering the differences have been granted by the proper authorities.

16. Safety of Persons and Property.

16.1 Safety Precautions. Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to:

- (a) employees on the Work and other persons who may be affected thereby;
- (b) the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site, under care, custody or control of the Contractor or the Contractor's subcontractors; and
- (c) other property at the Site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction. Contractor shall cooperate with the Owner in this respect, and shall take all reasonable and necessary steps to minimize any such dirt, noise, dust, fumes, traffic or other problems or damage, to surrounding property or buildings attributable to any action by Contractor.

16.2 Notices. Contractor shall give notices and comply with applicable laws, ordinances, rules, regulations and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss.

16.3 Barriers and Signs. The Contractor shall erect and maintain as required by existing conditions and performance of the Agreement, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities.

16.4 Hazardous Materials or Devices. When use or storage of explosives or other dangerous materials or hazardous substances or equipment or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

16.5 Remedy of Damage or Loss. Contractor shall promptly remedy damage and loss to the Site or the improvements thereon caused in whole or in part by the Contractor, a subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under this Agreement except damage or loss attributable to acts or omissions of the Owner, and not attributable to the fault or negligence of the Contractor.

17. Debris.

Contractor shall keep the Site clean and orderly during the course of the Work and shall remove all debris at the completion of the Work. Materials and equipment that have been removed and replaced as part of the Work shall be removed from the Site promptly and before final payment unless Owner expressly instructs Contractor to the contrary.

18. Assignment

Contractor shall not assign or transfer any of his rights, duties, benefits, obligations, liabilities or responsibilities under the Agreement without the prior written consent of Owner and the CITY. Any request for assignment shall be addressed to Owner and the CITY.

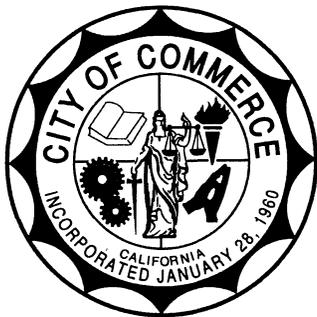
19. Utility Services

19.1 Utilities Available. Any existing home utility service will be available to Contractor without charge, including: electric power; water; and telephone (if available and for local calls only). When Contractor must disconnect or otherwise interrupt such services, including plumbing fixtures, to effect repairs or replacement, the use or availability of such services shall not be deprived to Owner or occupant, unless Owner or occupant has been relocated, except during normal working hours (8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays).

19.2 Disruptions. Where disruptions or disconnections will be other than during normal working hours, Contractor shall obtain approval of Owner and/or occupant, twenty-four (24) hours prior to such interruption.

20. Occupancy

20.1 Site May Be Occupied. The Site may be occupied during the course of the Work unless an addendum stating otherwise is included with these General Conditions. Owner or its tenant will cooperate with Contractor in a reasonable manner to minimize interference with the Work, including abandonment of limited areas as may be essential to the conduct of the Work.



AGENDA REPORT

DATE: May 7, 2013

TO: Honorable Successor Agency

FROM: Executive Director

SUBJECT: A Resolution of the Successor Agency to the Commerce Community Development Commission Approving a License and Hold Harmless Agreement Between the Successor Agency and Craig-Realty Group-Citadel LLC

RECOMMENDATION:

Adopt the Resolution Approving a License and Hold Harmless agreement between the Successor Agency and Craig-Realty Group-Citadel LLC and assign the number next in order.

BACKGROUND AND OVERVIEW:

The Successor Agency to the Commerce Community Development Commission (the "Successor Agency") owns certain real properties commonly known as Lots 5 at 2322 Travers, Lot 6 at 2311 Travers, and Lot 7 at 2240 Gaspar all of PM 142-82-83 (the "Premises"). Craig Realty Group-Citadel LLC ("Craig Realty") has requested permission from the Successor Agency to use the Premises for parking purposes for weekdays and weekends throughout the remainder of 2013, and for the first part of 2014. The Successor Agency desires to license the Premises for use by Craig Realty for parking purposes.

ANALYSIS:

The License and Hold Harmless Agreement between the Successor Agency and Craig Realty will commence on April 1, 2013 and will automatically terminate on April 1, 2014 (the "Agreement"). Pursuant to the Agreement, Craig Realty will indemnify the Successor Agency for any and all loss or liability arising from their use of the Premises and will provide insurance.

FISCAL IMPACT:

There is no fiscal impact associated with this agenda item.

Reviewed by,


Vilko Domic
Finance Director

Recommended by,


Jorge Rifa
Executive Director

Approved As To Form,


Eduardo Olivo
Legal Counsel

RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING A LICENSE AND HOLD HARMLESS AGREEMENT BETWEEN THE SUCCESSOR AGENCY AND CRAIG-REALTY GROUP-CITADEL LLC

WHEREAS, the Successor Agency to the Commerce Community Development Commission (the "Successor Agency") owns certain real properties commonly known as Lots 5 at 2322 Travers, Lot 6 at 2311 Travers, and Lot 7 at 2240 Gaspar all of PM 142-82-83 (the "Premises"); and

WHEREAS, Craig Realty Group-Citadel LLC ("Craig Realty") has requested permission from the Successor Agency to use the Premises for parking purposes for weekdays and weekends throughout the remainder of 2013 and for the first part of 2014; and

WHEREAS, the Successor Agency desires to license the Premises for use by Craig Realty for parking purposes.

NOW, THEREFORE, THE SUCCESSOR AGENCY DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Commerce, in its capacity as the Successor Agency to the Commerce Community Development Commission hereby finds and determines that the recitals set forth above are true and correct.

Section 2. The License and Hold Harmless Agreement between the Successor Agency and Craig Realty Group-Citadel LLC is hereby approved. The Chairperson is hereby authorized to execute the License and Hold Harmless Agreement for and on behalf of the Successor Agency.

Section 3. The Successor Agency's Secretary shall certify to the adoption of this Resolution and thereupon and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2013.

Joe Aguilar
Chairperson

ATTEST:

Linda K. Olivieri, MMC
Secretary

LICENSE AND HOLD HARMLESS AGREEMENT

This License and Hold Harmless Agreement ("Agreement") is entered into this _____ day of April 2013, by and between the Successor Agency to the Commerce Community Development Commission ("Licensor") and Craig Realty Group-Citadel, LLC ("Licensee").

RECITALS

WHEREAS, Licensor owns certain real properties commonly known as Lots 5 at 2322 Travers, Lot 6 at 2311 Travers, and Lot 7 at 2240 Gaspar all of PM 142-82-83 (hereafter, the "Premises" or "Licensed Area") as depicted on Attached Exhibit "A" (Location Map), which is attached hereto and incorporated herein by reference.

WHEREAS, Licensee has requested permission from Licensor to use the Premises for parking purposes for weekdays and weekends throughout the remainder of 2013, and for the first part of 2014; and

WHEREAS, Licensor desires to license the Premises for use by Licensee for parking purposes.

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Licensor and Licensee hereby agree as follows.

AGREEMENT

SECTION 1. LICENSE OF THE LICENSED AREA

Licensor grants to Licensee, for the sole benefit of Licensee, its employees, and invitees, a non-exclusive, non-assignable license to enter upon the Premises for the sole purpose of parking vehicles on the Premises from April 1, 2013 through April 1, 2014. The Licensed Area is described as follows: the real property commonly known as real properties commonly known as Lots 5 at 2322 Travers, Lot 6 at 2311 Travers, and Lot 7 at 2240 Gaspar all of PM 142-82-83 as depicted on Attached Exhibit "A".

Licensee shall be required to maintain the Premises and shall be responsible for all lighting and security commensurate with equivalent service levels maintained by Licensee for the Citadel Outlets parking areas. Licensee shall also be responsible for traffic control, as may be required.

SECTION 2. TERM

The term of this License shall commence on April 1, 2013 ("Commencement Date") and, unless earlier terminated by Licensor for Licensee's default hereunder, shall automatically terminate on April 1, 2014 ("Expiration Date").

SECTION 3. INSURANCE

Licensee shall maintain insurance and provide evidence thereof as required by Exhibit "B" hereto (the "Required Insurance") which is attached hereto and incorporated herein by this reference, for the term provided herein.

SECTION 4. INDEMNIFICATION

Licensee agrees and acknowledges that its use of the Licensed Area is at its sole risk, and Licensee hereby waives, releases and absolves Licensor, its officers, agents and employees (the "Licensor Parties") from any and all cost, loss, damage, expense, and liability, whether foreseeable or not, from any cause whatsoever, that Licensee may suffer to its personal property located anywhere in the Licensed Area or that it or its agents, employees, principals, and invitees may suffer as a direct or indirect consequence of Licensee's use of the Licensed Area or access areas to the Licensed Area or for any other reason arising from or related to this Agreement; provided, however, that Licensee shall have no obligation to defend or indemnify Licensor from claims unrelated to a pre-existing condition which are caused by Licensor's negligence, or willful or criminal act. In addition, Licensee hereby agrees to indemnify, defend, protect, and hold Licensor and the Licensor Parties harmless from and against any loss, cost (including, but not limited to, attorneys' fees), damage, liability, expense, claim, or action or cause of action of any third party (including, but not limited to, employees, agents, contractors, invitees and licensees of Licensee), whether foreseeable or not, resulting as a direct or indirect consequence of or use of the Licensed Area or access areas to the Licensed Area or for any other reason arising from or related to the Agreement; provided, however, that Licensee shall have no obligation to defend or indemnify Licensor from claims which are caused by Licensor's negligence, or willful or criminal act. Licensee's indemnification obligations hereunder shall survive the expiration or earlier termination of this Agreement.

SECTION 5. MISCELLANEOUS

(a) Time is of the essence of this Agreement and each of its provisions.

(b) This Agreement shall be construed and enforced in accordance with the laws of the State of California.

(c) In the event of any litigation between the parties respecting this Agreement, the prevailing party shall be entitled to recover from the unsuccessful party its reasonable attorneys' fees and costs as part of the judgment.

(d) This License is not to be construed as in any way granting to Licensee any leasehold or other real property interest in the Licensed Area, it being intended that this Agreement merely grants to Licensee this License to enter upon and use the Licensed Area during the Term in accordance with the terms and conditions hereof and shall not be deemed to grant to Licensee a leasehold or other real property interest in the Licensed Area.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by duly authorized individuals effective as of the date first written above.

LICENSOR:

SUCCESSOR AGENCY TO THE COMMERCIAL COMMUNITY
DEVELOPMENT COMMISSION

By: _____
Joe Aguilar, Chairperson

Approved as to Form:

By: _____
Eduardo Olivo, Legal Counsel

LICENSEE:

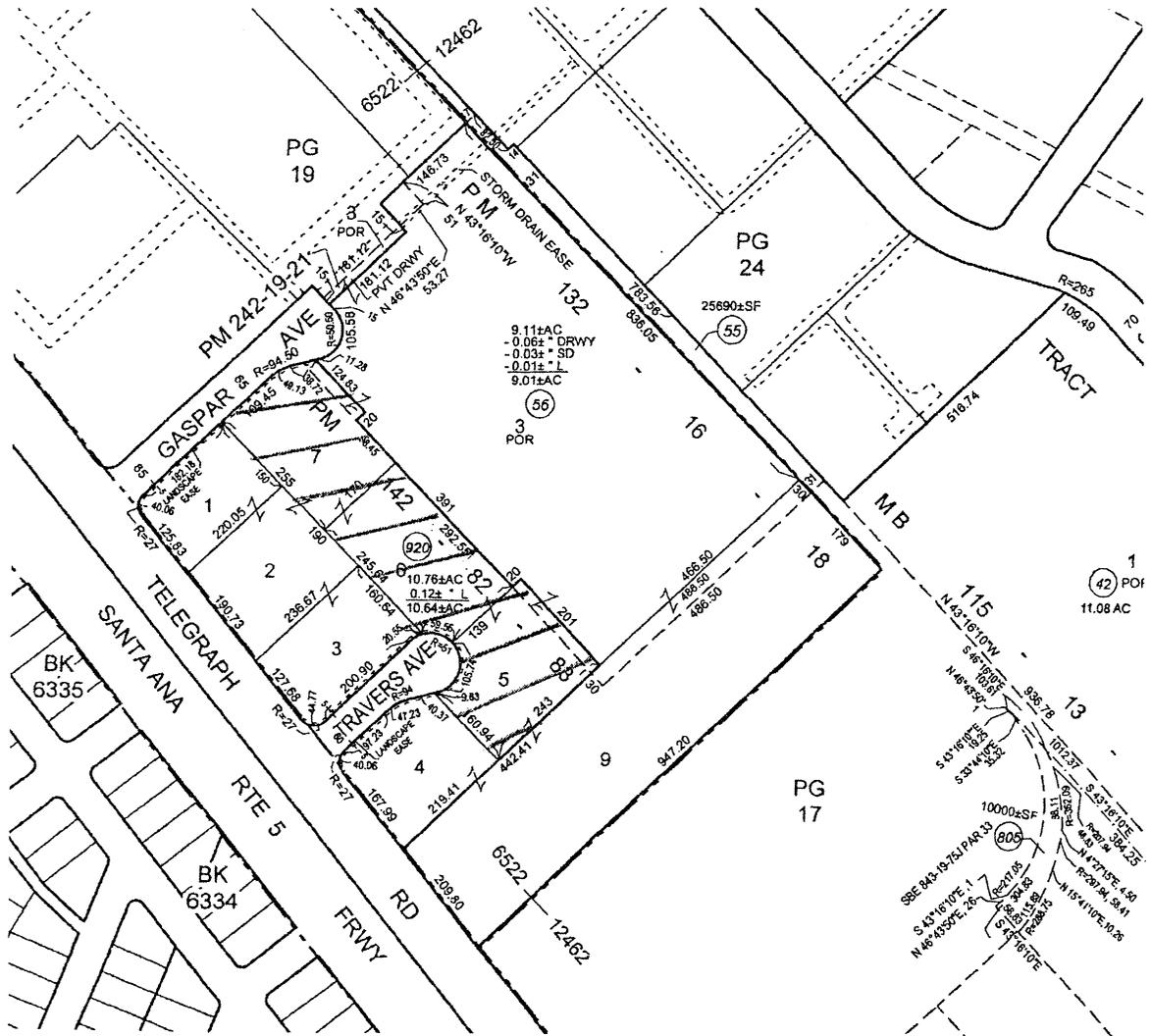
CRAIG REALTY GROUP CITADEL, LLC,
a California limited liability company

By: Citadel SPE, Inc.
a Delaware corporation,
its Manager

By: _____
Steven L. Craig
President

EXHIBIT "A"
(Map)

A. 136-19 & 34	TRA 6522 12462	REVISED 2008031010001002-27 2008080606002001-29	2008092305006001-27 2009041308001001-27 2009041308007001-27,29	2009041308009001-27,29 2010030904005001-27 2010032404002001-27	2010072802001001-27 2010121502010001-27 2012042502004001-27	2012042502007001-22
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*Exhibit A
Location Map*

EXHIBIT "B"
(Required Insurance)

Licensee, at its own cost and expense, shall carry, maintain for the duration of this Agreement, and provide proof thereof that is acceptable to the Successor Agency to the Commerce Community Development Commission ("Successor Agency") of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to the Successor Agency. Licensee shall not allow any subcontractor to commence work on any subcontract under this Agreement until all insurance required of Licensee have also been obtained for the or by the subcontractor. Such insurance shall not be in derogation of Licensee's obligations to provide indemnity under Section 4 of this Agreement.

1. Comprehensive General Liability and Automobile Liability Insurance Coverage.

Licensee 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 \$1,000,000 for each occurrence; property damage limits of \$500,000 for each occurrence, \$2,000,000 aggregate. Automobile liability limits of \$1,000,000 Combined Single Limit.

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 Agreement 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 Agreement, including the use of owned and non-owned real property and automobiles.

2. Additional Insureds.

The Successor Agency, its officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Agreement. An endorsement to this effect shall be delivered to the Successor Agency prior to the commencement of any work. Satisfaction of any deductible requirement shall be the responsibility of Licensee.

3. 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 Executive Director of the Successor Agency to the Commerce Community Development

Commission of the written notice of such cancellation or reduction of coverage, as evidenced by receipt of a certified letter.

4. 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.

5. Qualifications of Insurer.

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

6. Approval of Insurer.

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

7. Payment of Premiums.

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

8. Evidence of Insurance and Claims.

The Successor Agency shall have the right to hold the policies and policy renewals, and Licensee shall promptly furnish to the Successor Agency all renewal notices and all receipts of paid premiums. In the event of loss, Licensee shall give prompt notice to the insurance carrier and the Successor Agency. The Successor Agency may make proof of loss if not made promptly by Licensee.



AGENDA REPORT

Meeting Date: May 7, 2013

TO: HONORABLE SUCCESSOR AGENCY

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING A LICENSE AND HOLD HARMLESS AGREEMENT BETWEEN THE SUCCESSOR AGENCY AND TUBEWAY PROPERTIES, LLC

RECOMMENDATION:

Adopt the Resolution and assign the number next in order.

BACKGROUND AND OVERVIEW:

On May 3, 2011, the Commerce Community Development Commission (the "Commission") entered into an Exchange Agreement with the California Commerce Club, Inc. (the "Casino") that involved the sale of property by the Casino to the Commission and the sale of property by the Commission to the Casino. At that time, the Commission was moving forward with the planning of and acquisition of land for the Urban Entertainment Center Project (the "UEC Project"). The Commission required property owned by the Casino in order to complete the land acquisition needed for the UEC Project. The Casino agreed to sell such property to the Commission but, in exchange, requested the opportunity to purchase certain real property owned by the Commission.

Pursuant to the Exchange Agreement, the Commission and the Casino exchanged for consideration certain real property as follows: (1) the Commission acquired from the Casino real property comprised of a portion of industrial office space along Telegraph Road in an industrial center which was referred to as the "Spur Property"; and (2) the Casino acquired from the Commission certain real property referred to as 2301 Tubeway Avenue, in the City of Commerce (the "2301 Property").

The 2301 Property did not have adequate parking. Therefore, pursuant to Section 27 of the Exchange Agreement, the Commission agreed that it would provide the Casino with fourteen (14) parking spaces on Commission-owned property that was adjacent to the 2301 Property after the Spur Property close of escrow and to make good faith efforts to facilitate fifteen (15) additional parking spaces on the UEC Project that could be used by the Casino on a non-exclusive basis after the 2301 Property close of escrow.

Pursuant to Section 13 of the Exchange Agreement, the Casino assigned its rights and obligations under the Exchange Agreement to an entity called Tubeway Properties, LLC ("Tubeway Properties").

On June 29, 2011, the State Legislature enacted AB 1X 26 ("AB 26") which required the termination of redevelopment agencies in California. On February 1, 2012, all redevelopment agencies, including the Commission (which acted as the City's redevelopment agency), were dissolved.

Pursuant to AB 26, on January 17, 2012, the City of Commerce became the Successor Agency to the Commission (the "Successor Agency").

Pursuant to AB 26 and AB 1484, the Successor Agency is required to comply with the "Enforceable Obligations" of the Commission.

Pursuant to *Health & Safety Code* § 34171 d)(1)(E), an "Enforceable Obligation" includes any legally binding enforceable contract that is not otherwise void as violating the debt limit or public policy. The Exchange Agreement and the obligations set forth therein, including the Commission's obligation to provide for parking spaces for the benefit of the 2301 Property, constitutes an "Enforceable Obligation" that must be fulfilled by the Successor Agency.

Because of the passage of AB 26, the Successor Agency has not been able to proceed with the development of the UEC Project and has therefore been unable to provide Tubeway Properties with the parking provided for in the Exchange Agreement.

The Successor Agency owns certain real property located in the City of Commerce, County of Los Angeles, State of California, shown as Parcel 1 on the Certificate of Compliance No. 12-04, recorded on February 03, 2012 as Instrument No. 20120198997 of official records (the "Premises"). The Premises are located immediately adjacent to the 2301 Property.

In order to address Tubeway Properties immediate parking requirements at the 2301 Property, the Successor Agency staff and Tubeway Properties have arranged for the provision of temporary additional parking spaces and temporary exclusive use by Tubeway Properties of a portion of the Premises.

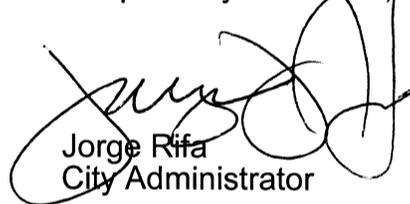
ANALYSIS:

The License and Hold Harmless Agreement will commence retroactively as of January 1, 2013 and shall continue until the Successor Agency provides Tubeway Properties with a notice of termination. Pursuant to the Agreement, Tubeway Properties will indemnify the Successor Agency for any and all loss or liability arising from their use of the Licensed Area and will be required to maintain adequate liability insurance.

FISCAL IMPACT:

None.

Respectfully submitted,



Jorge Rifa
City Administrator

Reviewed by,



Vilko Domic
Finance Director

Approved as to Form,



Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING A LICENSE AND HOLD HARMLESS AGREEMENT BETWEEN THE SUCCESSOR AGENCY AND TUBEWAY PROPERTIES, LLC

WHEREAS, on May 3, 2011, the Commerce Community Development Commission (the "Commission") entered into an Exchange Agreement with the California Commerce Club, Inc. (the "Casino"). Pursuant to the Exchange Agreement, the Commission and the Casino exchanged for consideration certain real property as follows: (1) the Commission acquired from the Casino real property comprised of a portion of industrial office space along Telegraph Road in an industrial center which was referred to as the "Spur Property"; and (2) the Casino acquired from the Commission certain real property referred to as 2301 Tubeway Avenue, in the City of Commerce (the "2301 Property"); and

WHEREAS, pursuant to Section 27 of the Exchange Agreement, the Commission agreed that it would provide the Casino with fourteen (14) parking spaces on Commission-owned property that was adjacent to the 2301 Property after the Spur Property close of escrow and to make good faith efforts to facilitate fifteen (15) additional parking spaces on the Urban Entertainment Center Project that could be used by the Casino on a non-exclusive basis after the 2301 Property close of escrow; and

WHEREAS, pursuant to Section 13 of the Exchange Agreement, the Casino assigned its rights and obligations under the Exchange Agreement to an entity called Tubeway Properties, LLC ("Tubeway Properties"); and

WHEREAS, on June 29, 2011, the State Legislature enacted AB 1X 26 which required the termination of Redevelopment Agencies in California. On February 1, 2012, all redevelopment agencies, including the Commission, were dissolved; and

WHEREAS, pursuant to AB 26 and AB 1484, the Successor Agency to the Commission is required to comply with the "Enforceable Obligations" of the Commission; and

WHEREAS, in order to address Tubeway Properties' immediate parking requirements at the 2301 Property, the Successor Agency desires to license temporary additional parking spaces and temporary exclusive use by Tubeway Properties of a portion of property owned by the Successor Agency.

NOW, THEREFORE, THE SUCCESSOR AGENCY DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Commerce, in its capacity as the Successor Agency to the Commerce Community Development Commission hereby finds and determines that the recitals set forth above are true and correct.

Section 2. The License and Hold Harmless Agreement between the Successor Agency and Tubeway Properties, LLC is hereby approved. The Chairperson is hereby authorized to execute the License and Hold Harmless Agreement for and on behalf of the Successor Agency.

Section 3. The Successor Agency's Secretary shall certify to the adoption of this Resolution and thereupon and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2013.

ATTEST:

Joe Aguilar
Chairperson

Linda Kay Olivieri, MMC
Secretary

THE LICENSE AND HOLD HARMLESS AGREEMENT
BETWEEN THE SUCCESSOR AGENCY AND TUBEWAY PROPERTIES, LLC,
WILL BE AVAILABLE NEXT WEEK



AGENDA REPORT

DATE: May 7, 2013

TO: Honorable City Council

FROM: City Administrator

SUBJECT: A Resolution of the City Council of the City of Commerce, California, Authorizing the Examination of Transactions (Sales) and Use Tax Records

RECOMMENDATION:

Approve the Resolution authorizing the examination of transactions (sales) and use tax records and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND:

Pursuant to Ordinance No. 649 of the City of Commerce (the "City") and Section 72720 of the Revenue and Taxation Code, the City entered into a contract with the State Board of Equalization (the "Board") to perform all functions incident to the administration and operation of the Transactions and Use Tax Ordinance.

The City deems it desirable and necessary for authorized representatives of the City to examine confidential transactions and use tax records of the Board pertaining to transactions and use taxes collected by the Board for the City pursuant to that contract.

Section 7056 of the Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board of Equalization records and establishes criminal penalties for the unlawful disclosure of information contained in or derived from, the transactions and use tax records of the Board.

Pursuant to Section 7065(b)(1) of the Revenue and Taxation Code, any person designated by resolution to examine the transactions and use tax records of the Board of Equalization, other than an officer or employee, must meet all of the following conditions:

- a) Has an existing contract with the City to examine those transactions and use tax records;
- b) Is required by that contract to disclose information contained in, or derived from those transactions and use tax records only to the officer or employee authorized under Section 1 (or Section 2 of this resolution) to examine the information.
- c) Is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) Is prohibited by that contract from retaining the information contained in, or derived from those transactions and use tax records after that contract has expired.

ANALYSIS:

Pursuant to Section 7065 of the Revenue and Taxation Code, the City will designate the City Administrator, the Finance Director, the Business License Officer, Municipal

Revenue Advisors and Hinderliter de Llamas & Associates to represent the City with authority to examine transactions and use tax records of the Board that pertain to the City.

The City Administrator, the Finance Director and the Business License Officer or other officer or employee of the City designated in writing by the City Administrator to the Board will represent the City with authority to examine transactions and use tax records of the Board pertaining to transactions and use taxes collected for the City by the Board pursuant to the contract between the City and the Board. The information obtained by examination of board records shall be used only for purposes related to the collection of the City's transactions and use taxes by the Board pursuant to the contract.

Municipal Revenue Advisors will represent the City with authority to examine the transactions and use tax records of the Board pertaining to a review of Board sales and use tax information related to the City's Business Cooperation Program. Hinderliter de Llamas & Associates will represent the City with authority to examine the transactions and use tax records of the Board pertaining to the collection of local sales and use taxes by the Board pursuant to the contract, or for purposes related to other governmental functions.

Municipal Revenue Advisors and Hinderliter de Llamas & Associates both meet the following conditions:

- a) Has an existing contract with the City to examine those transactions and use tax records;
- b) Is required by that contract to disclose information contained in, or derived from those transactions and use tax records only to the officer or employee authorized under Section 1 (or Section 2 of this resolution) to examine the information.
- c) Is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) Is prohibited by that contract from retaining the information contained in, or derived from those transactions and use tax records after that contract has expired.

FISCAL IMPACT:

There is no fiscal impact associated with this agenda item.

Reviewed by,



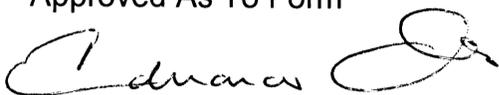
Vilko Domic
Finance Director

Respectfully submitted,



Jorge Rifa
City Administrator

Approved As To Form



Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, AUTHORIZING THE EXAMINATION OF TRANSACTIONS (SALES) AND USE TAX RECORDS

WHEREAS, pursuant to Ordinance No. 649 of the City of Commerce (the "City") and Section 72720 of the Revenue and Taxation Code, the City entered into a contract with the State Board of Equalization to perform all functions incident to the administration and operation of the Transactions and Use Tax Ordinance; and

WHEREAS, the City deems it desirable and necessary for authorized representatives of the City to examine confidential transactions and use tax records of the State Board of Equalization pertaining to transactions and use taxes collected by the Board for the City pursuant to that contract; and

WHEREAS, Section 7056 of the Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board of Equalization records and establishes criminal penalties for the unlawful disclosure of information contained in or derived from, the transactions and use tax records of the Board.

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

SECTION 1: That the City Administrator, the Finance Director and the Business License Officer or other officer or employee of the City designated in writing by the City Administrator to the State Board of Equalization (the "Board") is hereby appointed to represent the City with authority to examine transactions and use tax records of the Board pertaining to transactions and use taxes collected for the City by the Board pursuant to the contract between the City and the Board. The information obtained by examination of board records shall be used only for purposes related to the collection of the City's transactions and use taxes by the Board pursuant to the contract.

SECTION 2: That the City Administrator, Finance Director and the Business License Officer or other officer or employee of the District designated in writing by the City Administrator to the Board of Equalization is hereby appointed to represent the City with authority to examine those transactions and use tax records of the Board for purposes related to the following governmental functions of the City: pertaining to the collection of local sales and use taxes by the Board pursuant to the contract, or for purposes related to other governmental functions.

The information obtained by examination of Board records shall be used only for those governmental functions of the City listed above.

SECTION 3: That Municipal Revenue Advisors is hereby designated to examine the transactions and use tax records of the Board of Equalization pertaining to the review of Board sales and use tax information related to the City. The person or entity designated by this section meets all of the following conditions:

- a) Has an existing contract with the City to examine those transactions and use tax records;
- b) Is required by that contract to disclose information contained in, or derived from those transactions and use tax records only to the officer or employee authorized under Section 1 (or Section 2 of this resolution) to examine the information.
- c) Is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) Is prohibited by that contract from retaining the information contained in, or derived from those transactions and use tax records after that contract has expired.

SECTION 4: That Hinderliter de Llamas & Associates is hereby designated to examine the transactions and use tax records of the Board of Equalization pertaining to the collection of local sales and use taxes by the Board pursuant to the contract, or for purposes related to other governmental functions. The person or entity designated by this section meets all of the following conditions:

- a) Has an existing contract with the City to examine those transactions and use tax records;
- b) Is required by that contract to disclose information contained in, or derived from those transactions and use tax records only to the officer or employee authorized under Section 1 (or Section 2 of this resolution) to examine the information.
- c) Is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) Is prohibited by that contract from retaining the information contained in, or derived from those transactions and use tax records after that contract has expired.

SECTION 5: That this Resolution supersedes all prior transactions and use tax Resolutions of the City of Commerce adopted pursuant to subdivision (b) of revenue and Taxation Section 7056.

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2013.

Joe Aguilar
Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk



AGENDA REPORT

MEETING DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING A WATER RIGHT LEASE AND AGREEMENT WITH THE CITY OF WHITTIER FOR FY 2013-2014

RECOMMENDATION:

Approve the Resolution and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND/ANALYSIS:

The City of Commerce (the "City") possesses 5,081 acre-feet of pumping rights pursuant to the City's allowed pumping allocation allocated pursuant to Judgment dated October 11, 1965, and entered in Los Angeles Superior Court Case No. 786,656 entitled "Central and West Basin Water Replenishment District vs. Charles E. Adams, et al." The City has an annual allocation of 5,081 acre-feet plus its carry over from the previous year of 1,016.2 acre-feet for a total of 6,097.2 acre-feet of water pumping rights. The City only pumped 1,912.01 acre-feet of water in Water Year 2011-2012, leaving it with an unused balance of 4,185.19 acre-feet of water. The maximum carry over amount of water is 1,016.2 acre-feet. Faced with a budget deficit for FY 2012-13, the City was looking at numerous mediums with which to mitigate the gap. One factor that presented itself was the possible lease of 3,000 acre-feet of pumping rights to the City of Whittier. The City Council approved a one-year Lease Agreement with them on April 3, 2012, in the amount of \$345,000.

The City of Whittier has offered to lease 3,000 acre-feet of annual pumping rights from the City in Water Year 2013-2014. City staff thought it prudent in extending the relationship for an additional fiscal year.

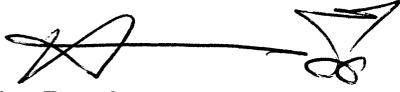
FISCAL IMPACT:

The City of Commerce will generate Three Hundred and Forty Five Thousand Dollars \$345,000 (3,000 AF x \$115) for FY 2013-14, as a result of the water rights lease with the City of Whittier. We must be cognizant that these are one-time revenues, and unless we enter into another agreement next year, a potential gap of \$345,000 will need to be addressed during the FY 2014-15 budget process.

RELATIONSHIP TO 2012 STRATEGIC GOALS:

The proposed Resolution is associated with Council's goal of growing revenues to ensure all expenses are being met so that we can remain fiscally responsible.

Recommended by:



Vilko Domic
Director of Finance

Respectfully submitted,



Jorge Rifa
City Administrator

Approved as to Form



Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING A WATER RIGHT LEASE AND AGREEMENT WITH
THE CITY OF WHITTIER FOR FY 2013-2014

WHEREAS, the City of Commerce (the "City") possesses 5,081 acre-feet of pumping rights pursuant to the judgment entered in *Central Basin Municipal water District v. Adams*; and

WHEREAS, the City has an annual allocation of 5,081 acre-feet plus its maximum carry over amount from the previous year of 1,016.2 acre-feet for a total of 6,097.2 acre-feet of water pumping rights; and

WHEREAS, the City only pumped 1,912.01 acre-feet of water in Water Year 2011-2012, leaving it with an unused balance of 4,185.19 acre-feet of water; and

WHEREAS, the City of Whittier has offered to lease 3,000 acre-feet of annual pumping rights from the City in Water Year 2013-2014; and

WHEREAS, City staff has negotiated an Agreement with the City of Whittier for the lease in the amount of \$115 per acre-foot.

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

Section 1. The City Council hereby approves the Water Right Lease and Agreement with the City of Whittier. The Mayor is hereby authorized to execute the Agreement for and on behalf of the City of Commerce.

Section 2. The City Administrator is hereby authorized to execute any additional documents necessary to implement the Agreement.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2013.

Joe Aguilar
Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk

WATER RIGHT LEASE AND AGREEMENT

For a valuable consideration, the CITY OF COMMERCE ("Licensor") hereby grants to the CITY OF WHITTIER (Licensee); a license to extract 3,000 acre-feet of licensor's Allowed Pumping Allocation allocated to Licensor (or predecessors in interest) under and pursuant to Judgment dated October 11, 1965, and entered in Los Angeles Superior Court Case No. 786,656 entitled "Central and West Basin Water Replenishment District vs. Charles E. Adams et al." during the period commencing July 1, 2013 and continuing to and including June 30, 2014.

Said license is granted subject to the following conditions:

- (1) Licensee shall exercise said right and extract the same on behalf of Licensor during the period above specified and put the same to beneficial use and Licensee shall not by the exercise hereunder of said right acquire any right to extract water independent of the rights of Licensor.
- (2) Licensee shall pay assessments levied on the pumping of said ground water by the Water Replenishment District of Southern California.
- (3) Licensee shall notify the District and the Watermaster that said pumping was done pursuant to this license and provide the Watermaster with a copy of this document.
- (4) Licensee shall note, in any recording of water production for the period of agreement that said pumping was done pursuant to this license.
- (5) Licensee's Allowed Pumping Allocation shall be increased by the amount hereby leased when computing carryover or allowable over extraction as provided by Part III, Subpart A and B in said Judgment.

The CITY OF COMMERCE warrants that it has 3,000 acre-feet of Allowed Pumping Allocation and that it has not pumped and will not pump or permit license of any other person to pump any part of said 3,000 acre-feet during the period of July 1, 2013 through June 30, 2014.

Dated: _____

CITY OF COMMERCE

By: _____

Joe Aguilar

Title: Mayor

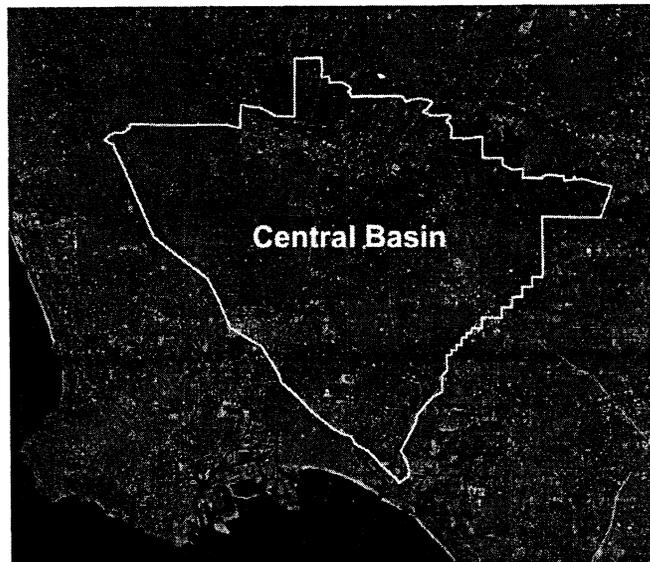
Dated: _____

CITY OF WHITTIER

By: _____

Title: _____

STATE OF CALIFORNIA
CALIFORNIA NATURAL RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES
SOUTHERN REGION



WATERMASTER SERVICE
in the
CENTRAL BASIN
Los Angeles County

July 1, 2011 - June 30, 2012



October 2012

Edmund G. Brown Jr.
Governor
State of California

John Laird
Secretary for Natural Resources
California Natural Resources Agency

Mark W. Cowin
Director
Department of Water Resources

Table 1 – Water Rights Accounting (acre-feet)

Party ID	Party	Sales ¹ 2011-2012	Allowed Pumping Allocation 2011-2012	Carryover from 2010-2011	Leases ¹		Allowable Extraction ²	Amount Pumped	In-Lieu	Balance ³	Allowable Carryover into 2012-2013		
					With Flex	Without Flex					Drought	Normal	Total
0020	A B C Unified School District		298.00	20.00			318.00	13.71		304.29		59.60	59.60
0107	American Textile Maintenance Company		65.00	20.00			85.00	5.55		79.45		20.00	20.00
0125	Angeles Abbey Memorial Park, Inc		4.00	12.00			16.00	0.00		16.00		16.00	16.00
0127	Aqua Capital Management LP	100.00	3,760.00	47.21	-3,760.00		47.21	0.00		47.21	47.21	0.00	47.21 ⁴
0120	Arco Metals Co, American Brass		0.00	34.46			34.46	0.00		34.46	24.46	10.00	34.46
0150	Artesia Cemetery District		12.00	20.00	-12.00		20.00	0.00		20.00		20.00	20.00
0160	Artesia, City of		24.00	0.71			24.71	30.49		-5.78		-5.78	-5.78
0180	Arzouman, Charles and Nvart	-1.00	0.00	0.00			0.00	0.00		0.00		0.00	0.00 ⁵
0182	Ashland Chemical Company		0.00	0.00			0.00	0.00		0.00		0.00	0.00 ⁶
0210	Atkinson Brick Company		9.00	20.75			29.75	0.00		29.75	0.75	20.00	20.75
0220	Atlantic Richfield Company		54.00	20.00			74.00	0.00		74.00		20.00	20.00
0229	Automobile Club of Southern California		6.00	18.00			24.00	0.00		24.00		20.00	20.00
0265	Baker Commodities, Inc		60.00	20.00	-60.00		20.00	0.00		20.00		20.00	20.00
0387	Bell Gardens, City of		1,914.00	242.80	-700.00		1,456.80	966.61		490.19		242.80	242.80
0410	Bellflower, City of		1,380.00	276.00			1,656.00	253.89		1,402.11		276.00	276.00
0420	Bellflower Home Garden Water Company		306.00	0.20	-306.00		0.20	0.00		0.20		0.20	0.20
0430	Bellflower Unified School District		89.00	0.00			89.00	0.00		89.00		20.00	20.00
0445	Bellflower-Somerset Mutual Water Company		4,312.88	860.81	306.00	-50.00	5,429.69	4,509.68		920.01		920.01	920.01
0495	The Boeing Company		0.00	0.00				0.00		0.00		0.00	0.00 ⁶
0642	Boy Scouts of America, Long Beach Area		1.00	-5.61			-4.61	10.07		-14.68		-14.68	-14.68
0657	Buell, Mary Dolores		1.00	0.00	-1.00		0.00	0.00		0.00		0.00	0.00
0679	California-American Water Company		2,067.00	465.19			2,532.19	2,526.59		5.60		5.60	5.60
0681	California Domestic Water Company		87.00	20.00			107.00	0.00		107.00		20.00	20.00
0686	California, State of		50.00	-21,878.02			-21,828.02	617.06		-22,445.08		-22,445.08	-22,445.08
0740	California Water Service Company		11,774.00	4,141.72	-2,575.00		13,340.72	5,783.61		7,557.11	2,696.92	1,839.80	4,536.72
0742	California Water Service Company (Dominguez)		6,480.00	662.55	-2,700.00		4,442.55	2,340.46		2,102.09		756.00	756.00
0795	Central Basin Municipal Water District		50.65	0.65			51.30	0.00		51.30		20.00	20.00
0826	Cerritos, City of		4,680.03	1,745.28	3,883.47		10,308.78	8,872.84		1,435.94	30.44	1,405.50	1,435.94
0830	Cerritos Community College District		147.00	29.40	-147.00		29.40	0.00		29.40		29.40	29.40
0855	Chang, H-Hsin and Associates		1.00	23.80			24.80	0.00		24.80	3.84	20.00	23.84
0885	Chevron U S A, Inc		94.00	20.00			114.00	0.00		114.00		20.00	20.00
0970	Coast Packing Company		530.00	21.00	-425.00		126.00	99.03		26.97		21.00	21.00
1017	Commerce, City of		5,081.00	1,016.20			6,097.20	1,912.01		4,185.19		1,016.20	1,016.20
1020	Compton, City of		5,780.00	1,156.00		500.00	7,436.00	6,255.83		1,180.17		1,156.00	1,156.00
1030	Compton Unified School District		38.00	20.00			58.00	0.00		58.00		20.00	20.00
1165	Crandell, F.J.		1.00	20.75			21.75	0.00		21.75	0.75	20.00	20.75
1236	Darling-Delaware Company, Inc		117.00	23.40			140.40	25.06		115.34		23.40	23.40
1385	Dolan, J.E., P.A., & T.P.		2.00	2.00			4.00	0.00		4.00		4.00	4.00
1450	Downey, City of		16,553.62	3,310.72			19,864.34	16,131.96		3,732.38		3,310.72	3,310.72
1550	El Rancho Unified School District		55.00	20.00			75.00	21.67		53.33		20.00	20.00



**THE PUBLIC HEARING – REGARDING HOUSING ELEMENT UPDATE
IS CONTINUED TO MAY 21, 2013**

Agenda Item No. 19



AGENDA REPORT

Meeting Date: May 7, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: PRESENTATION FROM LOS ANGELES COUNTY SHERIFF'S DEPARTMENT CAPTAIN JAMES WOLAK PERTAINING TO THE JANUARY 2012 THROUGH DECEMBER 2012 CRIME STATISTICS REPORT

RECOMMENDATION:

Receive and file.

MOTION:

Move to approve the recommendation.

BACKGROUND:

The City Council will receive a presentation from Captain James Wolak of the Los Angeles County Sheriff's Department pertaining to the "January 2012 through December 2012 Crime Statistics Report."

ANALYSIS:

The City Council will receive and file the presentation from Los Angeles County Sheriff's Department Captain James Wolak pertaining to the "January 2012 through December 2012 Crime Statistics Report."

FISCAL IMPACT:

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

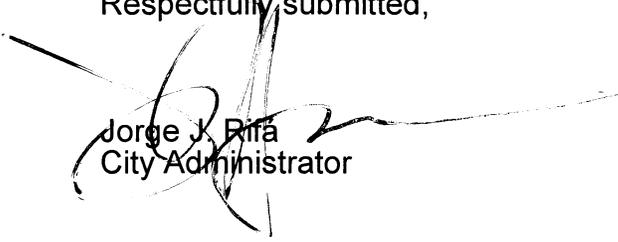
RELATIONSHIP TO 2009 STRATEGIC GOALS:

This report relates to the 2009 strategic planning goal: "Protect and Enhance the Quality of Life in the City of Commerce," as it addresses a community public safety issue of concern.

Recommended by:


Loretta Gutierrez
Director of Safety and Community Services

Respectfully submitted,


Jorge J. Rifa
City Administrator

Approved As To Form:


Eduardo Olivo
City Attorney

Agenda 2013-06 Presentation – LA Cnty Sheriff's Crime Stats Report Jan-Dec 2012





CITY OF COMMERCE
YEAR IN REVIEW
JANUARY - DECEMBER 2012



Los Angeles County Sheriff's Department 2012

Sworn 9,249
Professional Staff 7,746
Civilian Volunteers 4,300
Reserve Deputy Sheriff's 830
Youth Explorers 420

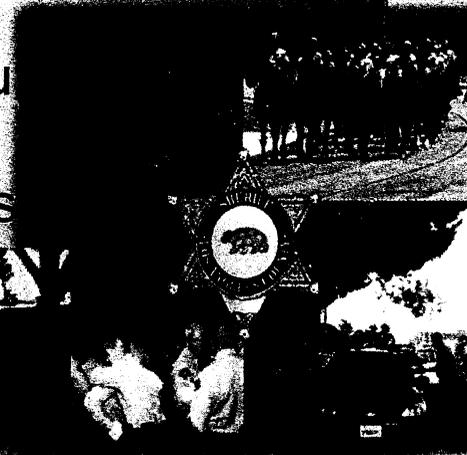
Citizen protected 2,900,426
Patrol Area 3,157 Sq. Miles
Incorporated Cities 42
Unincorporated Cities 42
Community Colleges 9
County Courts 42
County Jails 9
Metro Link 6 Counties

Overall Budget of 2.6 Billion Dollars



Los Angeles County Sheriff's Department

- Largest Sheriff's Department in the U.S.A
 - Largest Jail System
- Largest Community College Bureau
- Largest Court Services Bureau
- Largest in City Patrol Contracts



Sheriff's Department Resources



AERO BUREAU
HOMICIDE BUREAU
OSS GANG UNIT
NARCOTICS BUREAU

SPECIAL ENFORCEMENT BUREAU (S.W.A.T)

K-9 SERVICES DETAIL

ARSON EXPLOSIVES DETAIL

MAJOR CRIMES BUREAU

AUTO THEFT DETAIL (T.R.A.P)

SPECIAL VICTIMS BUREAU



Homicide	1	0	
Rape	2	5	-60%
Robbery	52	46	+13%
Assault	56	65	-14%
Burglary Residential	32	27	+18%
Burglary Commercial	100	90	+11%
Burglary Vehicle	184	146	+26%
GTA	260	325	-20%
Arson	4	10	-60%
Grand Theft	109	111	-.02%
Total			+3.71%

Deployment Schedule

Deployment	Em Shift 10 PM - 7 AM	Day Shift 6 AM - 3 PM	Pm Shift 2 PM - 11 PM
Came Call			
Toll Call			
Missed Call			

Three Special Assignment Deputies and one Service Area Sergeant
 comprise the Commerce Special Problems Team

Activity

911 Calls

785

Observations (self initiated activity)

16,258

Average Response Times

Type	Actual	Standard
Emergency	4.9 Min.	5.0 Min
Priority	7.7 Min.	15.0 Min
Routine	36.1 Min.	45.0 Min

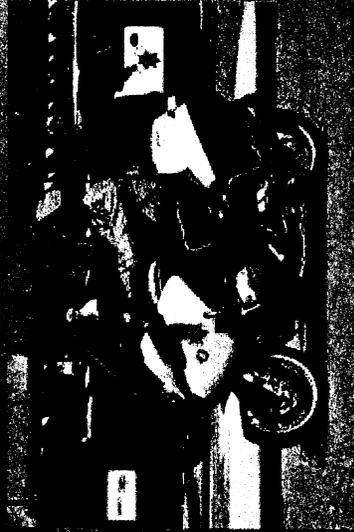
Arrests

1,343



Traffic Enforcement

Citations	Collisions



RediFlex Camera Citation Statistics

Citations	# of residents cited
14,114	233 (1.65%)

"Special Problems Team"

Operations

Special operations generated

Special operations which consisted of:

Street racing/ suppression

Search warrant service

Prostitution operation

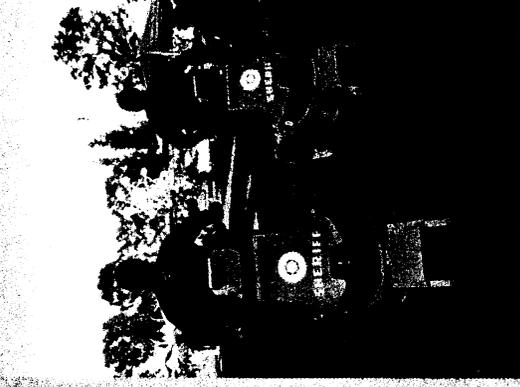
Street racing/ Suppression

Parade Compliance searches

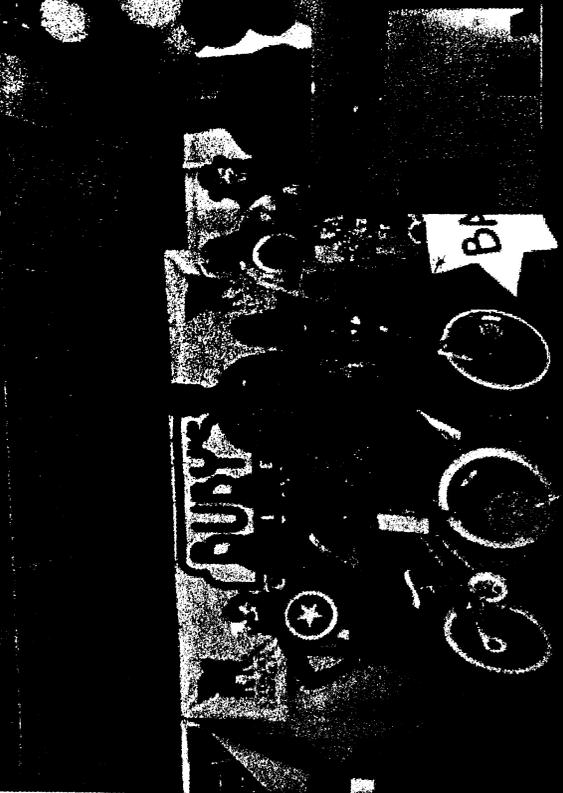
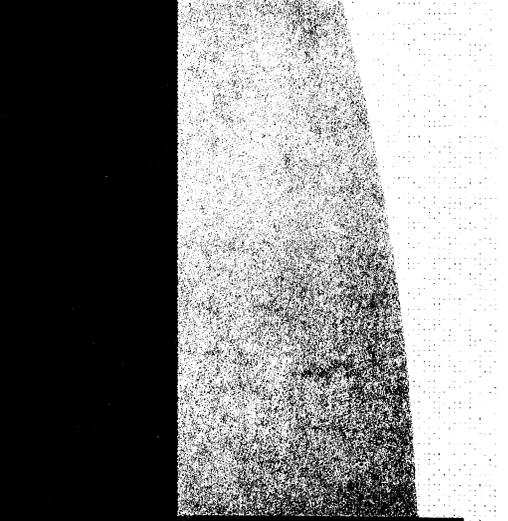
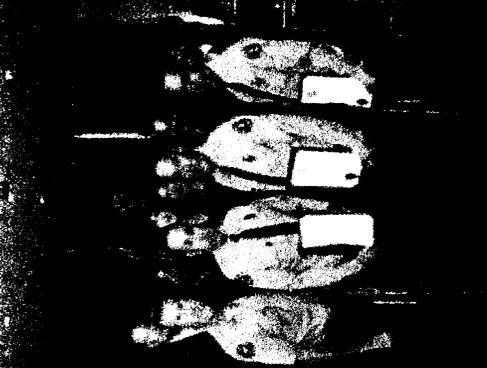
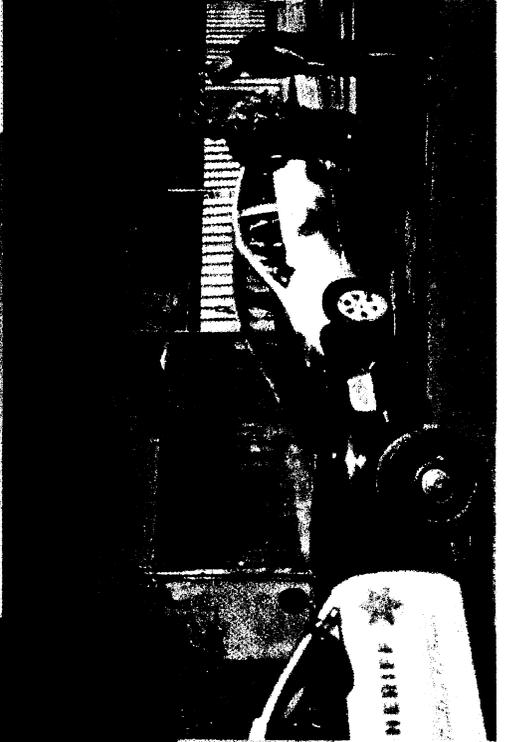
Probation Compliance searches

Neighborhood Watch meetings

Commerce special events



PARTNERSHIPS





AGENDA REPORT

Meeting Date: May 7, 2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: PRESENTATION FROM SLAWSON SOUTHEAST OCCUPATIONAL CENTER

RECOMMENDATION:

At the request of Councilmember Ivan Altamirano, the City Council will receive a presentation from Slawson Southeast Occupational Center, pertaining to their services, job opportunities, and transportation challenges being faced.

MOTION:

Move to approve the recommendation.

BACKGROUND:

Dr. Clif de Cordoba, Principal of Slawson Southeast Occupational Center, requested authorization to present our City Council with information about their services and increase awareness of job preparation opportunities and the transportation challenges being faced. Councilmember Ivan Altamirano requested that they be placed on the agenda. Dr. Clif de Cordoba, or his designee, will make the presentation.

ANALYSIS:

The City Council will receive the presentation from Slawson Southeast Occupational Center.

FISCAL IMPACT:

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

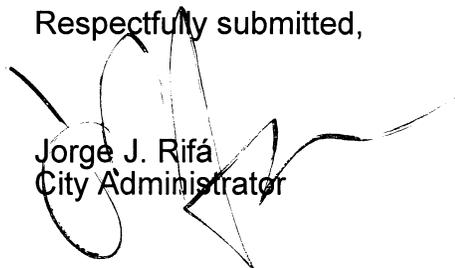
RELATIONSHIP TO 2009 STRATEGIC GOALS:

This report relates to the 2009 strategic planning goal: "Protect and Enhance the Quality of Life in the City of Commerce," as it addresses a community public safety issue of concern.

Recommended by:


Loretta Gutierrez
Director of Safety and Community Services

Respectfully submitted,


Jorge J. Rifa
City Administrator

Approved As To Form:


Eduardo Olivo
City Attorney



AGENDA REPORT

DATE: May 7, 2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: CITY SPONSORSHIP LEVELS FOR CINCO DE MAYO AND INDEPENDENCE DAY EVENTS

RECOMMENDATION:

That the City Council approve and adopt recommended donation levels for the annual Cinco de Mayo and Independence Day events.

MOTION:

Move to approve the recommendation.

BACKGROUND:

At its meeting of February 21, 2012, the City Council approved sponsorship packets for special events related to the city's annual Cinco de Mayo and Independence Day Celebrations. The sponsorship packets established donor levels for each of the events and described how donors at each level would be recognized for their donation. Over the past year, staff and Councilmembers have been using the donation packets to solicit donations from the business community. Now that the packets have been used for a period of one year, it is appropriate for Council to review and adjust the donation levels.

ANALYSIS:

The current and recommend sponsorship levels are as follows:

<u>Cinco de Mayo</u>	<u>Current Sponsorship Level</u>	<u>Proposed Sponsorship Level</u>
	Gold Sponsor - \$5,000	Gold Sponsor - \$10,000
	Silver Sponsor- \$1,500	Silver Sponsor- \$7,500
	Bronze Sponsor -\$1,000	Bronze Sponsor - \$5,000
	Mariachi Sponsor - \$750	Mariachi Sponsor - \$2,500
<u>Independence Day</u>	<u>Current Sponsorship Level</u>	<u>Proposed Sponsorship Level</u>
	Gold Sponsor- \$10,000	Gold Sponsor -\$15,000
	Silver Sponsor- \$5,000	Silver Sponsor - \$10,000
	Bronze Sponsor - \$2,500	Bronze Sponsor - \$7,500
	Patriot Sponsor- \$1,000	Patriot Sponsor - \$5,000

Staff believes that the sponsorship levels should be higher for the Independence Day Celebration, since it is a longer and larger event that is attended by more participants than the Cinco de Mayo Celebration.

The Cinco de Mayo event is attended by approximately 3,000 residents and includes the Baby Show, Garden Show, Boxing Exhibition, live entertainment, and opening day for Hot Shots Baseball. The event typically runs from 10:00 a.m. – 5:00 p.m.

The Independence Day Celebration is attended by approximately 10,000 residents and includes the Freedom 5k Fun Run, carnival, live entertainment throughout the day, and a fireworks display. The day's activities typically run from 7:00 a.m. – 10:00 p.m.

FISCAL IMPACT:

The solicitation of cash donations has a positive fiscal impact on the budget. Cash donations are used to offset the cost of the Cinco De Mayo and Independence Day Celebrations and the donation packets are used to clearly communicate with donors the level of recognition they can expect for their donations.

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to Council's strategic goal of growing revenues.

Recommended by:



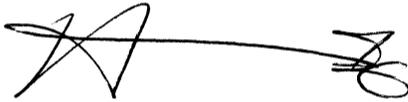
Scott Wasserman
Director of Parks & Recreation

Respectfully Submitted,



Jorge Rifá
City Administrator

Fiscal Impact reviewed by:



Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney



AGENDA REPORT

Meeting Date: 05/07/2013

TO: Honorable City Council
FROM: City Administrator
SUBJECT: City Commission and Committee Appointments

RECOMMENDATION:

Make the appropriate appointments to the various City Commissions and Committees.

MOTION:

Council discretion.

BACKGROUND:

Pursuant to Resolution No. 97-15, as amended, each Councilmember makes one appointment to the various Commissions and Committees of the City, with the terms of office of each appointee being for a period not to exceed two years, expiring at the next General Municipal Election. The term of office shall continue until the appointment and qualification of successor appointees. The Council makes the appointments of any sixth or more members, industrial members and Council members of the applicable Commissions and Committees.

ANALYSIS:

Under the provisions of Resolution No. 97-15, as amended, the current terms of all Commissioners and Committee Members expired on March 19, 2013.

It is recommended that appointments be made to the following Commissions and Committees at this time, with all terms to expire March 17, 2015, unless otherwise indicated: Education Commission, Library Commission, Parks & Recreation Commission, Senior Citizens Commission, Traffic Commission, Youth Advisory Commission, Beautification Committee, I-710 Local Advisory Committee (Ad Hoc) and Environmental Justice Advisory Task Force.

A list of the current Commissioners and Committee Members is attached for Council's convenience.

FISCAL IMPACT:

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

RELATIONSHIP TO 2012 STRATEGIC GOALS:

This item is not related to a specific 2012 Strategic Goal.

Recommended by:

Victoria M. Alexander
Linda Kay Olivieri
City Clerk

Respectfully submitted,

Jorge J. Rifa
Jorge J. Rifa
City Administrator

Prepared by:

Angie Verdin
Angie Verdin
Senior Office Assistant

Attachments: Current Commission/Committee Roster

CITY OF COMMERCE
COMMUNITY SERVICES COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON JOANNA FLORES 4931 Jillson St. 323-369-6676 joaneflores@gmail.com	5/3/11	4/2/2013	3/18/2015		Y	Robles
VICE CHAIRPERSON SANDRA JIMENEZ 7167 Kuhl Dr. 323-719-3296 Jimenez197230@yahoo.com	4/5/11	4/2/2013	3/18/2015	A/O	Y	Del Rio
YOLIE ACOSTA 5836 Ferguson St #1 323-422-0706 yacosta@lda.org	3/22/11	4/2/2013	3/18/2015		Y	Aguilar
ERNESTO GONZALEZ 6013 Bartmus St 323-721-2357 323-633-3251 egonzalez8783@gmail.com	4/16/2013		3/18/2015	A/		Altamirano
RODRIGO GALLEGOS 5024 Harbor St. 323-263-6240	4/2/2013		3/18/2015	A/O	Y	Leon

COMMENTS:

Staff Liaison: Loretta Gutierrez, Interim Director of Community Services (Ext. 2386)

Meets: 2nd Thursday of each month at 6:00 p.m. Council Chambers

CITY OF COMMERCE
EDUCATION COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON ED MILES 2554 Boris Ave. 323-721-3815	9/6/11	4/2/2013	3/18/2015	A/O	Y	Aguilar
VICE CHAIRPERSON MARCO HERRERA 6704 Watcher St. 562-760-6202 maherrer5@gmail.com	4/19/11	4/2/2013	3/18/2015	A/O	Y	Robles
LIBBY STOKES 2228 Ransom St. 323-265-4411	3/26/12	4/2/2013	3/18/2015	A/O	Y	Del Rio
CARMEN MARQUEZ COOPER 2578 Fidelia Ave. 562-400-7182	8/21/12	4/2/2013	3/18/2015	A/O	Y	Leon
EVELYN DIAZ 7543 Neenah St. 323-556-1708 evelynd14@aol.com	4/3/12		3/18/2015	A/O	Y	Altamirano
appt. continued from 4/2/13 and 4/16/13 cc mtgs.						

COMMENTS:

Staff Liaison: Beatriz Sarmiento, Interim Director of Library Services (Ext. 2217)

Meets: 2nd Monday of each month at 6:00 p.m. in the Council Chambers

CITY OF COMMERCE

LIBRARY COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON DANIEL LARIOS 2422 Commerce Way 323-722-0089 lariosd@gmail.com	3/22/11	4/2/2013	3/18/2015	A/O	Y	Robles
VICE CHAIRPERSON LETTIE JARAMILLO 2207 S. Eastern Ave. Apt. 3 323-482-4646	4/7/09		3/18/2015	A/O	Y	Altamirano
appt. continued from 4/2/13 and 4/16/13 cc mtgs.						
JOSIE BETANCOURT 2544 Commerce Way 323-718-0863 jbetancourt@generalveneer.com josiebetancourt@yahoo.com	10/20/10	3/22/11 4/2/2013	3/18/2015	A/O	Y	Aguilar
BEATRIZ MANCIA 5573 Pueblo Ct. 323-728-4064 betymancia@yahoo.com	6/2/09	3/22/11 4/2/2013	3/18/2015	A/O	Y	Del Rio
ERNIE VELA 5026 Gafford St. Mailing: 2160 S. Atlantic Blvd. 323-262-3977	12/1/09	3/22/11 4/2/2013	3/18/2015	A/O	Y	Leon

COMMENTS:

Staff Liaison: Beatriz Sarmiento, Interim Director of Library Services (Ext. 2217)

Meets: 4th Tuesdays of each month at 5:30 p.m. Council Chambers

CITY OF COMMERCE

PARKS & RECREATION COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON NICKY ANN LEON 7224 Paseo Del Rio 562-776-0113 <u>NL17@hotmail.com</u>	12/16/08	3/22/11 4/2/2013	3/18/2015	A/O	Y	Leon
VICE CHAIRPERSON RUDY TORRES 2313 Hepworth St 323-262-7643	3/22/11	4/2/2013	3/18/2015	A/O	Y	Robles
CHRIS GRIEGO 2517 Gaspar Ave 323-829-0773 <u>Cgriego1@msn.com</u>	4/17/12	4/16/2013	3/18/2015	A/O	Y	Altamirano
LAURA PEREZ 5835 Bartmus Ave. 323-646-6901 <u>Laura.perez@hilton.com</u>	3/17/09	3/22/11 4/2/2013	3/18/2015	/O	Y	Del Rio
STEVE VIESCA 2459 Elkgrove Ave. 323-721-0438 <u>sviesca1@aol.com</u>	1/17/06	3/22/11	3/18/2015	A/O	Y	Aguilar
appt. continued from 4/2/13 and 4/16/13 cc mtgs.						

COMMENTS:

Staff Liaison: Scott Wasserman, Interim Director of Parks & Recreation (Ext. 2368)

Meets: 1st Thursday of each month at 6:00 p.m. Council Chambers

CITY OF COMMERCE
PLANNING COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON JOHN DIAZ 5027 Nobel St. 562-858-2995 Johnnydiazr1@yahoo.com	5/3/11	4/2/2013	3/18/2015	A/O	Y	Del Rio
VICE CHAIRPERSON JORGE MONTES 6382 Camino Del Sol 562-445-5238 munntz@gmail.com	4/10/12	4/2/2013	3/18/2015	A/O	Y	Robles
ANNELLE GRAJEDA 2547 Leo Ave. 323-721-0689 Annelle.grajeda@yahoo.com	4/3/12	4/2/2013	3/18/2015	A/	Y	Aguilar
JULISSA ALTAMIRANO 5932 Jillson St. 323-695-9488 jwlsz33@yahoo.com	11/28/2012	4/16/2013	3/18/2015	A/O	Y	Altamirano
NANCY BARRAGAN 5553 E. Village Dr. 323-725-6609	4/2/2013		3/18/2015	A/O		Leon

COMMENTS:

Staff Liaison: Matt Marquez, City Planner (Ext. 2349)

Meets: 4th Wednesday of each month at 6:30 p.m. Council Chambers

CITY OF COMMERCE
SENIOR CITIZENS COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON						
CHARLES CALDERON 2533 Fidelia 323-974-8995 Charlierealtor21@live.com	4/5/11	4/2/2013	3/18/2015	A/O	Y	Robles
VICE CHAIRPERSON						
HORTENCIA RUBALCAVA 2241 Fitzgerald Ave. 323-721-0657	5/17/05 appt. continued from 4/2/13 and 4/16/13 cc mtgs.	3/22/11	3/18/2015	A/O	Y	Aguilar
SHARON ROWE 5617 Mission Way 323-422-1533 Sharonrowe683@yahoo.com	4/3/12	4/16/2013	3/18/2015	A/O	Y	Altamirano
SANDY CORNEJO 2453 Senta Ave. 323-726-8170 Home 213-598-2730 Cell	7/3/12	4/2/2013	3/18/2015	A/O	Y	Leon

VACANCY

COMMENTS:

Staff Liaison: Scott Wasserman, Interim Director of Parks & Recreation (Ext. 2368)

Meets: 1st Wednesday of each month at 12:30 p.m. Council Chambers

CITY OF COMMERCE

TRAFFIC COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON CARL N. BAKER 4870 Astor Ave. (H) 323-331-1142 (W) 213-276-2053 (Cell) 323-331-1142 Sparky_prophets@msn.com	4/10/12	4/2/2013	3/18/2015		Y	Del Rio
VICE CHAIRPERSON JAVIER VAZQUEZ 6518 Ferguson Dr. 323-405-5600 rojoazul@sbcglobal.net	5/3/11	4/2/2013	3/18/2015	A/O	Y	Robles
ISABEL CALDERA 4818 Leonis St. 323-356-1156 amigrafics@hotmail.com	4/2/2013		3/18/2015	A/O	Y	Leon
CATHY DUARTE 2225 Coutts Ave 323-496-5422 catwomans007@yahoo.com	4/16/2013		3/18/2015	A/O	Y	Altamirano
ANTONIO R. GONZALEZ, SR. 2412 Senta Ave. 323-728-9766 qbnlion@yahoo.com	4/17/07	3/22/11 4/2/2013	3/18/2015	A/O	Y	Aguilar

COMMENTS:

Staff Liaison: Danilo Batson, Assistant Director of Public Services (Ext. 2335)

Meets: 2nd Wednesday of each month at 6:30 p.m. Council Chambers

CITY OF COMMERCE
YOUTH ADVISORY COMMISSION

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON To Be Determined						
VICE CHAIRPERSON						
MARILYN ARROYO 6305 Zindell Ave. Apt. E 562-576-2680 m12_a13@yahoo.com	11/19/09	3/22/11 4/2/2013	3/18/2015		Y	Aguilar
JONATHAN GONZALEZ 1542 S. Duncan Ave. 323-614-9515	12/18/12	4/2/2013	3/18/2015			Del Rio
ALYSSA MATAS 2213 S. Eastern Ave. #2 323-728-2253	10/20/10	3/22/11	3/18/2015	A/O	Y	Altamirano
appt. continued from 4/2/13 and 4/16/13 cc mtgs.						
MONICA RODARTE 5143 Farrar St 323-269-6735	4/3/12	4/2/2013	3/18/2015		Y	Leon
VANESSA GONZALEZ 1544 S. Duncan Ave. 323-359-1602	1/15/13	4/2/2013	3/18/2015			Robles

COMMENTS: **Members of this Commission MUST submit to fingerprint requirements at 18th birthday and membership to this Commission expires on date of 20th Birthday.**

Staff Liaison: Lucinda Blancarte, Recreation Specialist (Ext. 4435)

Meets: 1st Monday of each month at 7:00 p.m. Teen Center

CITY OF COMMERCE
BEAUTIFICATION COMMITTEE

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON To be determined						
VICE CHAIRPERSON To be determined						
VACANT			3/18/2015			Del Rio
VACANT			3/18/2015			Leon
VACANT			3/18/2015			Aguilar
RON PEREZ 2236 Ransom St. 323-263-2758	4/7/09	3/22/11	3/18/2015	A/O	Y	Vacant (appointed by former C/M Fierro)
CONNIE GARCIA 6936 Agra St. 562-927-7107 562-319-7636	4/5/11		3/18/2015	A/O	Y	Robles

COMMENTS:

Staff Liaison: Alex Hamilton, Assistant Director of Community Development

Meets: 2nd Tuesday of each month at 3:30 p.m. City Hall North Conference Room

CITY OF COMMERCE

PAGEANT STEERING COMMITTEE

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>APPOINTED BY</u>
CHAIRPERSON LEILANI DAVIS 2218 S. Firtzgerald Ave. 323-867-0547 <u>Lanid28@yahoo.com</u>	7/6/10	3/22/11 4/2/2013	3/18/2015	Aguilar
VICE CHAIRPERSON ROSA RODRIGUEZ 3511 Todd Ave. 323-303-7618 <u>Rrosa_1125@yahoo.com</u>	3/22/11	4/2/2013	3/18/2015	Robles
CHRISTINA OLIVAS 2517 Gaspar Ave. 323-819-9120 <u>Cao3266@lausd.net</u>	4/17/12	4/2/2013	3/18/2015	Altamirano
SANDRA CORNEJO 2453 Senta Ave 323-726-8170 Home 213-598-2730 Cell	3/22/11	4/2/2013	3/18/2015	Leon
ARACELI RIVAS 2280 Coutts Ave. 323-780-0556	5/7/09	3/22/11 4/2/2013	3/18/2015	Del Rio

COMMENTS: Pageant Steering Committee does not require Oath/Application or Fingerprinting.

Staff Liaison: Adolfo Marquez, Interim Senior Recreation Supervisor (Ext. 2343)

Meets: Unscheduled

CITY OF COMMERCE

I-710 LOCAL ADVISORY COMMITTEE (AD HOC)

Fingerprinting is not a requirement of the I-710 Local Advisory Committee.

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>APPOINTED BY</u>
CHAIRPERSON JOE AGUILAR					Council
VICE CHAIRPERSON (to be determined)					
BOB EULA 4623 Leonis St. 323-262-5609 madbob-rr@hotmail.com	8/6/03	3/22/11 4/2/2013	3/18/2015	A/O	Aguilar
MIKE ALVARADO 1457 S. Sydney Dr. 323-266-4913	4/2/2013		3/18/2015		Robles
AUGUSTINE PEREZ 1427 S. Sydney Dr. 323-262-1936 Aperez215@toromail.csudh.edu	4/16/13		3/18/2015	A/	Altamirano
ED MILES 2554 Boris Ave 323-721-3815	4/16/13		3/18/2015	A/O	Baca Del Rio
VACANCY			3/18/2015		Leon

CITY OF COMMERCE

I-710 LOCAL ADVISORY COMMITTEE (AD HOC) (Continued)

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COMMUNITY BASED ORGANIZATION APPOINTEE

East Yard Communities for Environmental Justice
 ANGELO LOGAN 9/7/04 3/22/11 3/18/2015 Council
 2317 Atlantic Ave. 4/2/2013
 323-263-2113
alogan@eycej.org
 (Designated Alternate – Isella Ramirez; iramirez@eycej.org)

COMMUNITY BASED ORGANIZATION APPOINTEE

United Families of Bristow Park
 JESUS CERVANTES 3/22/11 4/2/2013 3/18/2015 Council
 1434 S. McDonnell
 323-264-7392
 (Designated Alternate – Pending)

INDUSTRIAL APPOINTEE

EDDIE TAFOYA 4/2/2013 3/18/2015 Council
 Industrial Council
 6055 Washington Blvd., Ste 110
 323-728-7222
eddie@industrialcouncil.org
 (Designated Alternate – Pending)

INDUSTRIAL APPOINTEE

JON R. RENO 5/17/11 4/2/2013 3/18/2015 Council
 Heger Industrial
 5701 S. Eastern Ave., Ste 101
 323-727-1144
 (Designated Alternate – Robert G. Thornburgh)

PLANNING COMMISSION APPOINTEE

To be determined by Planning Commission 3/18/2015 Planning Comm

TRAFFIC COMMISSION APPOINTEE

To be determined by Traffic Commission 3/18/2015 Traffic Comm

MEMBER AT-LARGE

XOCHILT YBARRA 4/5/11 4/2/2013 3/18/2015 Council
 2311 Bedessen Ave

CITY OF COMMERCE

I-710 LOCAL ADVISORY COMMITTEE (AD HOC) (Continued)

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MEMBER AT-LARGE

JIM PARROWS	6/21/11	4/2/2013	3/18/2015	Council
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99 Cent Store
4000 Union Pacific Ave
323-980-8154
(Designated Alternate – Don Arter)

COMMENTS: Fingerprinting is NOT requirement of the I-710 Local Advisory Committee.

Staff Liaison: Alex Hamilton, Assistant Director of Community Development (Ext. 2330)

Meets: 2nd & 4th Tuesday of each month at 6:30 p.m. City Hall Emergency Operations Center (EOC) **[Committee only meets on as needed basis.]**

NOTE:

AT THE APRIL 2, 2013 CITY COUNCIL MEETING, IT WAS THE CONSENSUS OF THE COUNCIL TO CONTINUE APPOINTMENTS TO THIS TASK FORCE TO DETERMINE CONSOLIDATING WITH THE I-710 LOCAL ADVISORY COMMITTEE (AD HOC) AND TO COME UP WITH OTHER ALTERNATIVES.

CITY OF COMMERCE

ENVIRONMENTAL JUSTICE ADVISORY TASK FORCE

<u>NAME, ADDRESS & PHONE NUMBER</u>	<u>ORIGINAL APPT. DATE</u>	<u>LAST REAPPT. DATE</u>	<u>TERM EXPIRES</u>	<u>TAKEN OATH AND COMPLETED APPL.</u>	<u>FINGER-PRINTED</u>	<u>APPOINTED BY</u>
CHAIRPERSON						
<u>PROFESSIONAL MEMBER</u>						
ANGELO LOGAN East Yard Communities for Environmental Justice 2317 Atlantic Blvd. 323-263-2113	10/5/04	3/22/11 4/2/2013	3/18/2015		Y	Council
VICE CHAIRPERSON (to be determined)						
MIGUEL ORTEGA 4923 Kinsie St. 323-268-0050	5/15/12		3/18/2015		Y	Altamirano
FERNANDO BONADA 1539 Miracle Pl. 323-728-8235	11/20/07	3/22/11	3/18/2015		Y	Leon
VACANT			3/18/2015			Aguilar
NORMA DAMAS 2447 Senta Ave 323-828-0934 nrmdamas@yahoo.com	6/21/11		3/18/2015			Del Rio
KRISTINA SANTANA 2221 S Eastern Ave #1 323-728-6288 ksantana@cal.berkeley.edu (prefers communication via email)	6/21/11		3/18/2015			Robles

CITY OF COMMERCE

ENVIRONMENTAL JUSTICE ADVISORY TASK FORCE (Continued)

Page 2

PROFESSIONAL MEMBER

ANDREA M. HRICKO	6/5/07	3/22/11	3/18/2015	Y	Council
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Keck School of Medicine, USC/
 Director of Community Outreach and
 Education Programs, Southern California
 Environmental Health Sciences Center and
 Children’s Environmental Health Center
 1540 Alcazar St., CHP 236
 Los Angeles, CA 90033
 323-442-3077

**LARGE/SMALL BUSINESS & INDUSTRIAL/
ORGANIZED LABOR MEMBER**

EDDIE TAFOYA	6/19/07	3/22/11	3/18/2015	Y	Council
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Industrial Council of the
 City of Commerce
 6055 Washington Blvd., Ste. 110
 323-728-7222
 Fax: 728-7565
eddie@industrialcouncil.org

**LARGE/SMALL BUSINESS & INDUSTRIAL/
ORGANIZED LABOR MEMBER**

STEPAN ALTOUNIAN	5/3/11		3/18/2015		Council
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Sealwize
 7136 East Slauson Ave
 323-720-9077

COMMENTS: Application, Oath and Fingerprinting **are** a requirement of the Environmental Justice Advisory Task Force.

Staff Liaison: Alex Hamilton, Assistant Director of Community Development (Ext. 2330)

Meets: to be determined at later date.



AGENDA REPORT

Meeting Date: May 7, 2013

TO: Honorable City Council

FROM: City Administrator

SUBJECT: A Resolution of the City Council of the City of Commerce, California Establishing the Composition of the Advisory Committee Provided for by Measure AA (Ordinance No. 649), Setting the Terms of Office of the Committee Members, and Defining the Scope of the Committee's Responsibilities

RECOMMENDATION:

Approve the Resolution establishing the composition of the Advisory Committee provided for by Measure AA (Ordinance No. 649), setting the terms of office of the Committee Members, and defining the scope of the Committee's responsibilities and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND:

On August 6, 2012, the City Council approved the submittal of Measure AA to the City voters at the November 6, 2012 Election. Measure AA proposed to raise revenue to offset severe state budget cuts and provide funding for such things as repair, maintenance and improvement of streets, sidewalks, public facilities, parks, libraries and other services in the City of Commerce (the "City"). The revenue would be raised by approving an ordinance enacting a one-half of one percent (½%) transactions and use (i.e. "sales tax") tax within the City.

The Measure was a "general tax." Pursuant to California Revenue and Taxation Code §7285.9 and Proposition 218, a general tax requires approval by a simple majority of the qualified voters voting in the election. On November 6, 2012, 67% of the City of Commerce voters who voted in the election approved the passage of Measure AA. Therefore, the Measure was duly approved.

Measure AA (Ordinance No. 649) provides for the establishment of an Advisory Committee that will review and report on the receipt of and expenditure of funds from the sales tax revenues generated by Measure AA. Section 3.09 states, in part, that:

Additionally, there shall be a committee consisting of no fewer than five seats to review and report on the receipt of revenue and expenditure of funds from the tax authorized by this chapter. The committee members shall be either City residents or representatives of City businesses. Within 90 days of the operative date of this chapter, the City Council shall adopt a resolution establishing the composition of the committee, setting the terms of office of the committee members, and defining the scope of the committee's responsibilities, which at a minimum shall include reviewing the annual auditor's report and making recommendations to the City Council for use of the tax revenue. The committee's report and recommendations shall be completed by a date to allow for it to be considered as part of each annual budget process. The committee's report and recommendation shall be a matter of public record and shall be considered and reported by the City Council at a public meeting.

On April 23, 2013, the City Council of the City of Commerce held a workshop in order to consider and decide upon the key elements of the resolution that will establish the Advisory Committee.

DISCUSSION:

The following shall apply to the Advisory Committee and be set forth in the Resolution required by Measure AA:

Composition and Term

1. The Committee members shall serve at the pleasure of the City Council. The Committee will be composed of seven (7) members.
2. Five (5) of the Committee members will be residents and registered voters of the City. Each City Councilmember will be provided the opportunity to appoint one resident to serve as a member of the Committee. The term for the resident members will be four (4) years, to correspond with the appointing Council member's term and shall be reviewable annually.
3. Two of the Committee members will be representatives of businesses that are located in the City. The City Council will appoint the business representative members. The term for the business members will be four (4) years, but shall be reviewable annually.

Meetings

4. The Committee meetings will be subject to the Ralph M. Brown Act.
5. The Committee will elect a Chairperson and a Vice Chairperson.
6. The Committee shall adopt rules of conduct for their meetings; they shall comply, as much as practicable, with the Robert's Rules of Order.
7. The Committee shall meet as many times as necessary throughout the year, but no fewer than two times per year.
8. The Committee shall meet with the City Council as required by the Council and/or as deemed necessary by the Committee.

Scope of Duties

9. The Committee shall review the annual auditor's report of the Measure AA sales tax revenues.
10. The Committee shall make recommendations to the City Council for use of the Measure AA sales tax revenues. Such recommendations shall be completed and presented to the City Council in time for Council's consideration as part of each annual City budget process.
11. The Committee's recommendations shall be consistent with the following criteria regarding the use of the Measure AA revenues:
 - 75% shall be utilized for one-time infrastructure/capital items (addressing current deficiencies). Such projects may include street projects (including, but not limited to sidewalks, alleys, traffic signals, signs, storm drains, utilities), public facilities projects (including, but not limited to building

repairs, technological enhancements, maintenance, retrofit), environmental quality of life projects (including, but not limited to air, water, pollution abatement/control, housing retrofit projects), and major capital equipment replacement/investments (capital equipment in excess of \$5,000).

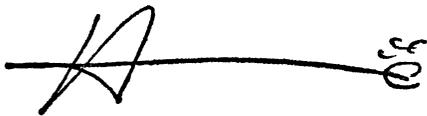
- 10% shall be kept as reserves.
- 5% shall be used for economic development activities/projects.
- 5% shall be used to cover the City's administrative costs in connection with the implementation of Measure AA.
- 2.5% shall be used for beautification activities/projects.
- 2.5% shall be used for public safety activities.
- City staff shall provide the Committee with a list of potential projects.

The proposed Resolution establishes the Advisory Committee as required by Measure AA and as determined by the City Council.

RELATIONSHIP TO STRATEGIC GOALS:

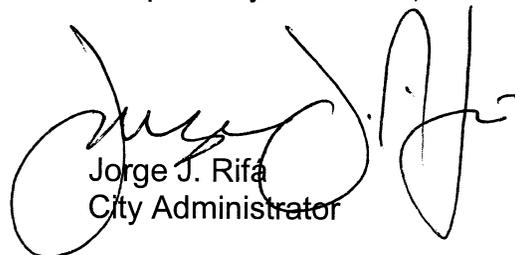
Implementation of Measure AA is connected to the City Council goals of financial viability and infrastructure investment.

Reviewed by:



Vilko Domic
Finance Director

Respectfully submitted,



Jorge J. Rifa
City Administrator

Approved As To Form:



Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA ESTABLISHING THE COMPOSITION OF THE ADVISORY COMMITTEE PROVIDED FOR BY MEASURE AA (ORDINANCE NO. 649), SETTING THE TERMS OF OFFICE OF THE COMMITTEE MEMBERS, AND DEFINING THE SCOPE OF THE COMMITTEE'S RESPONSIBILITIES

WHEREAS, on August 6, 2012, the City Council approved the submittal of Measure AA to the City voters at the November 6, 2012, Election. Measure AA proposed to raise revenue to offset severe state budget cuts and provide funding for such things as repair, maintenance and improvement of streets, sidewalks, public facilities, parks, libraries and other services in the City of Commerce. The revenue would be raised by approving an ordinance enacting a one-half of one percent ($\frac{1}{2}\%$) transactions and use (i.e. "sales tax") tax within the City; and

WHEREAS, on November 6, 2012, Measure AA was duly approved by the voters of the City of Commerce; and

WHEREAS, Measure AA (Ordinance No. 649) provides for the establishment of an Advisory Committee that will review and report on the receipt of and expenditure of funds from the sales tax revenues generated by Measure AA; and

WHEREAS, Section 3.09 of Ordinance No. 649 (Measure AA) states, in part, that:

Additionally, there shall be a committee consisting of no fewer than five seats to review and report on the receipt of revenue and expenditure of funds from the tax authorized by this chapter. The committee members shall be either City residents or representatives of City businesses. Within 90 days of the operative date of this chapter, the City Council shall adopt a resolution establishing the composition of the committee, setting the terms of office of the committee members, and defining the scope of the committee's responsibilities, which at a minimum shall include reviewing the annual auditor's report and making recommendations to the City Council for use of the tax revenue. The committee's report and recommendations shall be completed by a date to allow for it to be considered as part of each annual budget process. The committee's report and recommendation shall be a matter of public record and shall be considered and reported by the City Council at a public meeting; and

WHEREAS, on April 23, 2013, the City Council of the City of Commerce held a workshop in order to consider and decide upon the key issues related to the establishment of the Measure AA Advisory Committee.

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

Section 1. Composition and Term. The Advisory Committee shall be composed as follows and shall have the following terms:

- a. The Committee members shall serve at the pleasure of the City Council and will be composed of seven (7) members.
- b. Five (5) of the Committee members will be residents and registered voters of the City. Each City Councilmember will be provided the opportunity to appoint one resident to serve as a member of the Committee. The term for the resident members will be for four (4) years, to correspond with the appointing Council member's term; nevertheless, the appointments shall be reviewable annually by the Council.
- c. Two of the Committee members will be representatives of businesses that are located in the City. The City Council will appoint the business representative members. The term for the business members will be for

four (4) years; nevertheless, the appointments shall be reviewable annually by the Council.

Section 2. Meetings. The Advisory Committee meetings shall proceed as follows:

- a. The Committee meetings will be subject to the Ralph M. Brown Act.
- b. The Committee shall elect a Chairperson and a Vice Chairperson.
- c. The Committee shall adopt rules of conduct for their meetings; they shall comply, as much as practicable with the Robert's Rules of Order.
- d. The Committee shall meet as many times as necessary throughout the year, but no fewer than two times per year.
- e. The Committee shall meet with the City Council as required by the Council and/or as deemed necessary by the Committee.

Section 3. Scope of Duties. The Advisory Committee's duties shall be as follows:

- a. The Committee shall review the annual auditor's report of the Measure AA sales tax revenues.
- b. The Committee shall make recommendations to the City Council for use of the Measure AA sales tax revenues. Such recommendations shall be completed and presented to the City Council in time for the Council's consideration as part of each annual City budget process.
- c. The Committee's recommendations to the Council for use of the Measure AA sales tax revenues shall be consistent with the following criteria:
 - (i) 75% shall be used for one-time infrastructure/capital items (addressing current deficiencies). Such projects may include street projects (including, but not limited to sidewalk, alleys, traffic signals, signs, storm drains, utilities); public facilities projects (including, but not limited to building repairs, technological enhancements, maintenance, retrofit); environmental quality of life projects (including, but not limited to air, water, pollution abatement/control, housing retrofit projects); and major capital equipment replacement/investments (capital equipment in excess of \$5,000).
 - (ii) 10% shall be maintained as reserves.
 - (iii) 5% shall be used for economic development activities/projects.
 - (iv) 5% shall be used to cover the City's administrative costs in connection with the implementation of Measure AA and the projects paid for by the Measure.
 - (v) 2.5% shall be used for City beautification activities and/or projects.
 - (vi) 2.5% shall be used for public safety activities.
 - (vii) City staff shall provide the Committee with a list of potential projects/activities that satisfy the above criteria.

Section 4. The City Clerk shall certify to the adoption of this Resolution and thereupon and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2013.

Joe Aguilar, Chairperson

ATTEST:

Linda Kay Olivieri, MMC
Secretary