

ALL ITEMS FOR CONSIDERATION BY THE CITY COUNCIL AND GOVERNING BODY OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ARE AVAILABLE FOR PUBLIC VIEWING IN THE OFFICE OF THE CITY CLERK/SECRETARY AND THE CENTRAL LIBRARY

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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, JUNE 5, 2012 – 6:30 P.M.

CALL TO ORDER

Mayor/Chairperson Leon

PLEDGE OF ALLEGIANCE

Claude McFerguson
Director of Transportation

INVOCATION

Councilmember/Board Member Aguilar

ROLL CALL

City Clerk/Secretary Olivieri

APPEARANCES AND PRESENTATIONS

1. Commendation – Honoring Vivian Terry on the Occasion of Her Retirement

At the request of Mayor Leon, the **City Council** will present a Commendation to Ms. Vivian Terry recognizing her for 40 years of dedicated service to the Montebello Unified School District.

2. Commendation – Recognizing Bus Operator Juan Sandoval

At the request of Mayor Pro Tempore Baca Del Rio, the **City Council** will present a Commendation to City Bus Operator Juan Sandoval in appreciation for dedication to the City and providing outstanding service to Commerce teens and seniors.

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

CONCURRENT REGULAR COUNCIL/SUCCESSOR AGENCY AGENDA

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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 commencement of the City Council/ Successor Agency meetings. Please use the microphone provided, clearly stating your name and address for the official record and courteously limiting your remarks to five (5) minutes so others may have the opportunity to speak as well.

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

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

CITY COUNCIL/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.

3. Approval of Minutes

The **City Council and Successor Agency** will consider for approval, respectively, the minutes of the Adjourned Special Meeting of Tuesday, May 8, 2012, held at 3:00 p.m. [Council only]; Adjourned Special Meeting of Wednesday, May 9, 2012, held at 9:00 a.m. [Council only]; Concurrent Adjourned Special Council and Special Successor Agency Meetings of Tuesday, May 15, 2012, held at 5:00 p.m.; Concurrent Regular Meetings of Tuesday, May 15, 2012, held at 6:30 p.m.; Concurrent Adjourned Regular Meetings of Wednesday, May 23, 2012, held at 9:00 a.m. and Concurrent Adjourned Regular Meetings of Wednesday, May 30, 2012, held at 10:30 a.m.

4. Approval of Warrant Register No. 23

The **City Council and Successor Agency** will consider for approval, respectively, the bills and claims set forth in Warrant Registers No. 23A, dated June 5, 2012, and No. 23B, for the period May 16, 2012, to May 31, 2012.

5. Commendation – Unified Grocers 90th Anniversary Celebration

The **City Council** will consider for approval a Commendation recognizing Commerce business Unified Grocers on the occasion of its 90th anniversary. The Commendation will be presented at the Company's Open House Celebration on June 9, 2012.

6. Certificate of Recognition - Julio Pons, Longtime Employee of Entenmann-Rovin Company

At the request of Mayor Leon, the **City Council** will consider for approval a Certificate of Recognition for 95 year old Don Julio Pons in recognition of his more than 70 years as an employee of the Entenmann-Rovin Company in the City of Commerce.

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7. Legislative Report

The **City Council** will consider taking a formal position on legislative bills of interest to the City of Commerce and other municipalities in California and directing staff to forward position letters to Sacramento on behalf of the City of Commerce.

8. Approval of Banner Advertisement of Environmental Messages Funded by Used Oil and Beverage Container Recycling Grants Provided by the California Department of Resources Recycling and Recovery (CalRecycle)

The City received a Used Oil Recycling Grant and a Beverage Container Recycling Grant from the California Department of Resources Recycling and Recovery (CalRecycle) in the amount of \$5,000.00 each.

The **City Council** will consider for approval authorizing the use of the grant funds for the purchase of advertisement banners imprinted with environmental messages.

9. Federal Transit Administration Section 5316-Job Access and Reverse Commute (JARC) – Authorization to Apply for Funding in Amount of \$503,709

The **City Council** will consider for approval the application for funding in the amount of \$503,709 from the Federal Transit Administration (FTA) Section 5316-Job Access and Reverse Commute (JARC) Grant. Project timeframe is January 1, 2013-December 31, 2015.

The goal of the JARC program is to improve access to transportation services, employment and employment-related activities for welfare recipients and eligible low-income individuals and to transport residents of urban areas to suburban employment opportunities.

10. A Resolution of the City Council of the City of Commerce, Acting as the Governing Body for the Successor Agency to the Commerce Community Development Commission Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code, Approving an Agreement with DMD Appraisals for the Appraisal of Successor Agency Owned Property Located at 4957 Sheila Street and 4800 Washington Boulevard, Commerce, California

The **Successor** Agency will consider for approval and adoption a proposed Resolution approving an agreement with DMD Appraisals for the appraisal of Successor Agency-owned real property located at 4957 Sheila Street and 4800 Washington Boulevard, Commerce, California.

11. A Resolution of the City Council of the City of Commerce, California, Approving an Agreement Between the City of Commerce; Fairbank, Maslin, Maullin, Metz & Associates and the American Federation of State, County and Municipal Employees for Polling Services

On May 15, 2012, the Blue Ribbon Advisory Panel requested that the Council consider the Panel's recommendation that a polling company be retained to conduct a poll in the City and help obtain information that would prove to be helpful to the Panel in formulating recommendations to the City Council, particularly relating to revenue generating measures and program issues.

At its meeting of May 23, 2012, the City Council received a presentation from Fairbank, Maslin, Maullin, Metz & Associates ("Fairbank") regarding the company's experience in conducting community polls. Thereafter, the

Council approved an appropriation in the amount of \$12,500 for polling services and directed staff to prepare an agreement with Fairbank, with a like amount to be paid by the American Federation of State, County and Municipal Employees (“AFSCME”).

The **City Council** will consider for approval and adoption a proposed Resolution approving an Agreement between the City of Commerce; Fairbank, Maslin, Maullin, Metz & Associates and the American Federation of State, County and Municipal Employees for polling services.

PUBLIC HEARINGS

SCHEDULED MATTERS

12. Senior Rent Subsidy Program Audit Update

At its meeting of April 3, 2012, the City Council reviewed options relating to the Senior Rent Subsidy Program, which included terminating the Program, due to the elimination of Redevelopment Set Aside Funding from the State. The City Council postponed its decision until staff had the opportunity to conduct an audit of the program participants.

At its discretion, the **City Council** will consider for receipt and filing the audit report of the Senior Rent Subsidy Program and providing direction to staff relative to the preparation of the appropriate documents for continuation of the Program for one year.

13. Customer Service Recognition – Employee of the Quarter Parking Assignment

At the request of Mayor Leon, the **City Council** will consider for approval the design of the proposed Customer Services Recognition parking sign.

14. Installation of Decorative Wall at Front of City Hall Complex

At the request by Councilmember Altamirano, the **City Council** will consider for approval, and provide direction as deemed appropriate with respect to, the installation of a proposed decorative wall at the front entrance area of the City Hall complex. Councilmember Altamirano is committed to seeking corporate funding for the entire cost of the project.

This item was continued from the meeting of April 3, 2012, at the request of Councilmember Altamirano.

15. Blue Ribbon Advisory Panel Progress Report

The **City Council** will receive a status report on the progress made to date by the Blue Ribbon Advisory Panel and provide direction as it deems appropriate.

16. Commission Appointment

The **City Council** will make the appropriate appointment to the following Commission: Community Services Commission.

ORDINANCES AND RESOLUTIONS

17. A Resolution of Intention of the City Council of the City of Commerce, California, to Approve an Amendment to Contract Between the Board of Administration California Public Employees’ Retirement System and the City Council City of Commerce

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Currently, the contract between the Board of Administration of the California Public Employees' Retirement System ("Calpers") and the City Council of the City of Commerce does not allow the spouse or domestic partner of a deceased member who was eligible for service at the time of death to receive the Pre-Retirement Option 2W Death Benefit in lieu of the lump sum Basic Death Benefit.

The **City Council** will consider for approval and adoption a proposed Resolution of Intention to approve an amendment to the contract between the Board of Administration of the California Public Employees' Retirement System and the City Council of the City of Commerce to provide for the Pre-Retirement Option 2W Death Benefit in lieu of the lump sum Basic Death Benefit.

CIP PROGRESS REPORT

RECESS TO CLOSED SESSION

ADJOURNMENT

**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: JUNE 5, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: COMMENDATION HONORING VIVIAN TERRY ON THE OCCASION OF HER RETIREMENT FROM THE MONTEBELLO UNIFIED SCHOOL DISTRICT

RECOMMENDATION:

Approve the commendation.

MOTION:

Move to approve the presentation of the commendation.

BACKGROUND:

Rosewood Park School's Principal's Secretary Vivian Terry is retiring after 40 years of service with the Montebello Unified School District on June 29.

ANALYSIS:

Vivian Terry spent the past 20 years working at Rosewood Park School and has established close ties to City of Commerce officials and staff.

At the request of Mayor Leon, the City Council will consider adopting a commendation to acknowledge Vivian Terry for her many years of service with the Montebello Unified School District.

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This item does not relate to a specific goal.

Prepared by:

Fernando Mendoza
Deputy City Administrator

Respectfully submitted,

Jorge J. Rifá
City Administrator

Approved As To Form:

Eduardo Olivo
City Attorney

Fiscal Impact Reviewed by:

Vilko Domic
Director of Finance

AGENDA ITEM No. 1

vivianterry2012

COMMENDATION OF THE CITY COUNCIL
OF THE CITY OF COMMERCE
HONORING
VIVIAN TERRY
ON THE OCCASION OF HER RETIREMENT
FROM THE MONTEBELLO UNIFIED SCHOOL DISTRICT
FOR 40 YEARS OF DEDICATED SERVICE

WHEREAS, Vivian Terry is retiring from the Montebello Unified School District on June 29, after 40 years of dedicated service; and

WHEREAS, Vivian Terry has served the last 20 years of her career as Rosewood Park School's Principal's Secretary, diligently and efficiently serving the Commerce community; and

WHEREAS, Vivian Terry has also worked for Suva Elementary, Colmar Elementary, Schurr High School and Montebello High School; and

WHEREAS, Vivian Terry has served as President of the Montebello School Support Secretary Association and as Associate Coordinator of Read Across America at Rosewood Park School; and

WHEREAS, Vivian Terry helped coordinate the V.I.C.A. Tutor Program at Rosewood Park School and participated in the Commerce YES Program mentoring youth; and

WHEREAS, Vivian Terry served as a Classified Employee Union Representative and as a member of the Association for the Advancement of Mexican-American Students scholarship committee; and

WHEREAS, Vivian Terry is a past and present recipient of the Rosewood Park School P.T.A. Honorary Service Award for her outstanding contributions to the school; and

WHEREAS, Vivian Terry's professionalism, knowledge and expertise have contributed greatly to the successful day-to-day operations at Rosewood Park School:

THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE COMMENDS VIVIAN TERRY ON THE OCCASION OF HER RETIREMENT FROM THE MONTEBELLO UNIFIED SCHOOL DISTRICT, AFTER 40 YEARS OF DEDICATED SERVICE. HER COMPETENCE, EXPERIENCE AND HARD WORK CONTRIBUTED TO QUALITY EDUCATION AT ROSEWOOD PARK SCHOOL. WE WISH HER A WONDERFUL RETIREMENT.

Signed this 5th day of June 2012.

ATTEST:

Lilia R. Leon
Mayor

Linda Kay Olivieri, MMC
City Clerk



AGENDA REPORT

Meeting date: June 5, 2012

TO: Honorable City Council
FROM: City Administrator
SUBJECT: Council Commendation – Bus Operator Juan Sandoval

RECOMMENDATION:

At the request of Mayor Pro Tem Baca Del Rio, the City Council will read and present a commendation from the City of Commerce to Juan Sandoval in appreciation for his hard work and dedication.

MOTION:

Move to approve the recommendation.

BACKGROUND:

Mr. Sandoval is requested to drive for all teen excursions, due to his ability to relate to teen patrons and the value he adds to their excursions. Mr. Sandoval does more than merely transport teen passengers to their destinations. On Many excursions, he researches historical sites and natural phenomena in advance, to provide background information as he drives. The information he provides enhances the trip for the teens, as they are able to fully appreciate the significance of all they see. Mr. Sandoval has been known to lead group discussions on the historical significance of Route 66 and provide interesting information on points of interest, such as mountain ranges and earthquake faults. On one occasion, Mr. Sandoval led teens on a short hike to a waterfall that he had researched prior to a trip. Many times, the discussions blossom into question and answer sessions, with the teen participants remaining very attentive. Mr. Sandoval also serves as a role model for teens, reinforcing the importance of being a gentleman and staying in school.

Mr. Sandoval's enthusiasm for his work and extra efforts to make the drive interesting are some of the ways he goes above and beyond the call of duty, on a regular basis.

ANALYSIS:

Bus Operator Jose Sandoval has been a Part Time City employee since March 22, 2010.

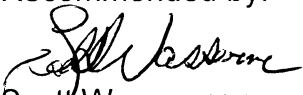
FISCAL IMPACT:

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

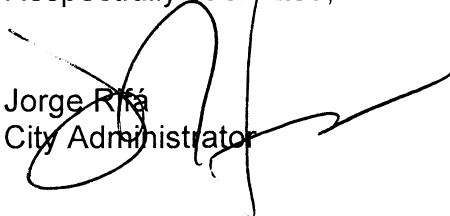
RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to Strategic Goal #4: Ensure that the city will have a trained, quality workforce to efficiently provide services to City of Commerce residents in the future.

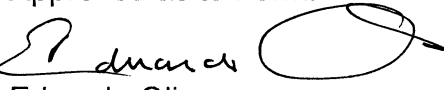
Recommended by:


Scott Wasserman
Interim Director of Parks and Recreation

Respectfully submitted,


Jorge Rifa
City Administrator

Approved as to Form:


Eduardo Olivo
City Attorney

COMMENDATION OF THE CITY COUNCIL
OF THE CITY OF COMMERCE
HONORING
BUS OPERATOR
JUAN SANDOVAL
FOR PROVIDING OUTSTANDING SERVICE TO
COMMERCE TEENS AND SENIORS

***WHEREAS,** Juan Sandoval began his employment with the City of Commerce in March of 2010; and*

***WHEREAS,** Juan Sandoval has distinguished himself as a bus operator that goes above and beyond the call of duty to provide outstanding service, particularly as noted by numerous Commerce teens and seniors; and*

***WHEREAS,** Juan Sandoval, a former tour bus driver, does not merely transport teen and senior passengers to their destinations, but researches and provides historical, background and natural phenomena information, thoroughly engaging and enhancing their excursions; and*

***WHEREAS,** Juan Sandoval not only entertains teen trip participants but educates them through his research, general knowledge and leading them in group discussions about subjects as diverse as mountain ranges, earthquake faults, gentlemanly behavior and staying in school; and*

***WHEREAS,** Juan Sandoval has dutifully served the needs of Commerce seniors who are so enamored of him that they compete with the teens for his services on excursions; and*

***WHEREAS,** Juan Sandoval is well respected and known by residents and members of the public he serves as a personable and gracious driver who has safe, conscientious driving habits and most importantly, he never gets lost; and*

***WHEREAS,** Juan Sandoval has revolutionized his role as a bus operator making trips and excursions for seniors akin to private tours conducted by a professional tour guide:*

THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE COMMENDS JUAN SANDOVAL FOR HIS HARD WORK, DEDICATION AND PROVIDING OUTSTANDING SERVICE TO COMMERCE TEENS AND SENIORS. HIS CHARACTER, CHARISMA AND KNOWLEDGE HAVE MADE HIM AN ASSET TO THE COMMUNITY AND A VALUED EMPLOYEE OF THE CITY OF COMMERCE TRANSPORTATION DEPARTMENT.

Signed this 5th day of June 2012.

ATTEST:

Lilia R. Leon
Mayor

Linda Kay Olivieri, MMC
City Clerk



AGENDA REPORT

MEETING DATE: JUNE 5, 2012

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: COMMENDATION - HONORING UNIFIED GROCERS ON THE OCCASION OF ITS 90TH ANNIVERSARY

RECOMMENDATION:

Approve the commendation.

MOTION:

Move to approve the presentation of the commendation.

BACKGROUND:

Throughout the years, Unified Grocers has donated food to the City's various programs, including the Health and Wellness Fair. Unified Grocers was also a generous sponsor of the City's 50th Birthday Celebration Banner Program.

Unified Grocers, founded in 1922, is a wholesale grocery distributor which is headquartered in Commerce.

ANALYSIS:

At the request by Mayor Leon, the City Council will consider for approval a commendation to Unified Grocers on the occasion of its 90th anniversary. The commendation would be presented to Unified Grocers at the company's Open House Celebration on June 9.

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This item does not relate to a specific goal.

Prepared by:

Respectfully submitted,

Fernando Mendoza
Deputy City Administrator

Jorge J. Rifa
City Administrator

Approved As To Form:

Fiscal Impact Reviewed by:

Eduardo Olivo
City Attorney

Vilko Domic
Director of Finance

COMMENDATION OF THE CITY COUNCIL
OF THE CITY OF COMMERCE
HONORING
UNIFIED GROCERS
ON THE OCCASION OF ITS 90TH ANNIVERSARY

WHEREAS, Unified Grocers, the largest wholesale grocery distributor in the western United States, marks its 90th anniversary in 2012, celebrating nine decades of independent grocery cooperative success; and

WHEREAS, Unified Grocers' history traces back to the early part of the 20th century when independent retail grocers in three West Coast cities decided to improve the efficiency of their businesses by combining their resources and forming purchasing cooperatives; and

WHEREAS, Unified Grocers was started from three cooperatives, including United Grocers, formed in Portland, Oregon; Certified Grocers, founded in Los Angeles; and Associated Grocers, founded in Seattle; and

WHEREAS, Unified Grocers, which is headquartered in the City of Commerce, employs approximately 3,000 workers, supplies approximately 3,000 stores and has approximately 500 shareholders; and

WHEREAS, Unified Grocers was named the 2011 "Licensed Distribution Center of the Year" by the Independent Grocers Alliance and was awarded the organization's USA President's Cup; and

WHEREAS, Unified Grocers is an exemplary corporate citizen, supporting organizations that sustain healthy and vibrant communities such as City of Hope, Susan G. Komen for the Cure and Doernbecher Children's Hospital; and

WHEREAS, Unified Grocers has donated to the Commerce Food Distribution Program, sponsored the Commerce Health and Wellness Fair and was a major contributor to the City's 50th Birthday Banner Program which benefitted the City's birthday celebration; and

WHEREAS, Unified Grocers' leadership, innovation and community involvement have made it an industry leader respected by Commerce residents and the industrial community:

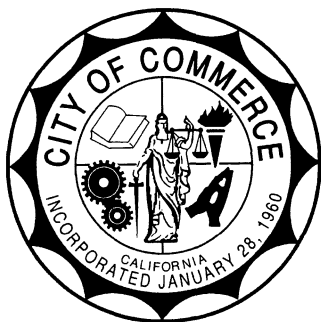
NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY COMMEND UNIFIED GROCERS ON THE OCCASION OF ITS 90TH ANNIVERSARY. WE VALUE AND APPRECIATE HAVING UNIFIED GROCERS HEADQUARTERED IN THE CITY OF COMMERCE. CONGRATULATIONS ON NINE DECADES OF SUCCESS. MAY YOU CONTINUE TO PROSPER.

Signed this 5th day of June 2012.

ATTEST:

Lilia R. Leon
Mayor

Linda Kay Olivieri, MMC
City Clerk



AGENDA REPORT

MEETING DATE: JUNE 5, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: CERTIFICATE OF RECOGNITION - JULIO PONS, LONGTIME
EMPLOYEE OF ENTENMANN-ROVIN COMPANY

RECOMMENDATION:

Approve the certificate of recognition.

MOTION:

Move to approve the presentation of the certificate of recognition.

BACKGROUND:

Julio Pons has been an employee of the Entenmann-Rovin Company for more than 70 years. Entenmann Rovin Company, which manufactures badges, shields, awards and medals, is located in Commerce.

ANALYSIS:

Julio Pons is a 95-year-old man whose dedication to living and working for so many decades at the same company for longer than most people have been alive is truly amazing.

At the request of Mayor Leon, the City Council will consider approving a certificate of recognition to acknowledge Julio Pons for his many years of employment with the Entenmann-Rovin Company, here in Commerce.

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This item does not relate to a specific goal.

Prepared by:

Fernando Mendoza
Deputy City Administrator

Respectfully submitted,

Jorge J. Rifá
City Administrator

Approved As To Form:

Eduardo Olivo
City Attorney

Fiscal Impact Reviewed by:

Vilko Domic
Director of Finance

THE CITY COUNCIL OF
THE CITY OF COMMERCE
COMMENDS
JULIO PONS

ON HIS MORE THAN 70 YEARS OF LOYAL SERVICE TO ENTENMANN-ROVIN COMPANY.

YOUR ZEST FOR LIFE, AT AGE 95,
AND YOUR HARD WORK AND DEDICATION TO YOUR JOB
ARE AN INSPIRATION TO ALL.

WE CONGRATULATE YOU ON AN ILLUSTRIOUS CAREER AND ABUNDANT LIFE.

Presented this
5th Day of June 2012

Lilia Leon, Mayor



AGENDA REPORT

MEETING DATE: June 5, 2012

TO: Honorable City Council
FROM: City Administrator
SUBJECT: LEGISLATIVE REPORT

RECOMMENDATION:

The City Council will consider taking a formal position on legislative bills of interest to Commerce and other municipalities in California, and direct City staff to forward City position letters to Sacramento on behalf of the City of Commerce.

MOTION:

Move to approve the recommendation.

BACKGROUND:

From time to time, legislation is considered by the State Legislature that affects local government, at which time cities throughout California take appropriate recommends the Council direct city staff to work with organizations such as the League of California Cities Association in reviewing proposed legislation and legislative issues and making recommendations concerning the City's position to the Council. The legislative positions adopted by the Council will direct the City's lobbying efforts during the 2012 Legislative Session.

ANALYSIS:

The League of California Cities Association recommends member cities consider taking a formal position on the attached legislative measures. City staff concurs with the League's state and local division legislative recommendations.

In addition, City staff recommends support of SB 1386 (Lowenthal) related to "water storage" and SB 1185 (Price) designed to combat the state's underground economy by reducing criminal activity and leveling the playing field for California businesses.

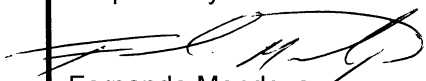
FISCAL IMPACT:

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

RELATIONSHIP TO 2009 STRATEGIC GOALS:

The recommendation before the City Council is applicable to the following Council strategic goal: "*Protect and Enhance Quality of Life in the City of Commerce*". Though the item has no specific objective related to this recommendation, it is connected to the City's interest to protect and enhance the quality of life of the community.

Prepared by:


Fernando Mendoza
Deputy City Administrator

Fiscal impact reviewed by:


Vilko Domic
Director of Finance

Respectfully submitted,


Jorge J. Rifa
City Administrator

Reviewed as to form:


Eduardo Olivo
City Attorney

2011-2012 City of Commerce Legislative Position Recommendations				
Bill # / Author	Topic	Location/Status	League Position	City Staff Position
AB 1551 (Torres)	Insurance: public safety employees: accidents. Proposes to exempt certain public safety officers from a requirement to report accidents that occur in a personal vehicle to a personal insurance provider and instead report those accidents to the employer. If enacted, employers of public safety personnel will face increased liability for employees who drive their personal vehicles for work purposes which will increase employers' insurance costs.	5/10 - Passed A-Insurance (13-0) on 4/18; Passed A-Approps (16-1) on 5/2; Refer to A-Floor	OPPOSE	Watch
AB 1585 (Perez)	Redevelopment. Includes technical and substantive fixes to AB 26 1X, the redevelopment dissolution bill including: Preserving affordable housing funding; ensuring loan repayments to help provide local services; preserving asset value and avoids potential "fire sale" phenomenon; improving processes to avoid possible bond defaults; clarifies that a successor agency is a legally distinct and separate body; clarifying administrative cost issues and many other changes.	04/19/2012: Double referred to S-Gov & Finance and S-Trans & Housing.	SUPPORT	Support 04/03/12: City formally took position in support of the measure.
AB 1627 (Dickinson)	Building Prohibitions: building standards; vehicle miles traveled. Prohibits local governments from issuing local building permits until it has been confirmed that the building satisfies standards designed to reduce vehicle miles traveled (VMT) by occupants of residential and nonresidential buildings. The effect of the bill unravels the carefully negotiated agreement between the parties involved in SB 375.	4/27/2012: Failed Deadline. Assembly-Measure is <u>dead</u> .	OPPOSE	-----
AB 1692 (Wieckowski)	Municipal Bankruptcy: Unravels key features of negotiations on AB 506 passed last year.	5/29/2012: Failed passage on the Assembly Floor. However, the bill is eligible to be reconsidered.	OPPOSE	Oppose
AB 2231 (Fuentes)	Sidewalks: Repairs. Amends long-standing statutes related to sidewalk repairs. Makes cities and counties responsible for the repair of any sidewalks they "own" or that have been damaged by any plant or tree. The bill also makes cities and counties liable for any injury resulting from the failure to repair and prohibits cities and counties from imposing an assessment on the adjacent property owner for the repair of the sidewalk.	Passed A-Local Gov't on 4/18; Referred to A-Judiciary; Re-refer to A-Approp.	OPPOSE	Oppose

Bill # / Author	Topic	Location/Status	League Position	City Staff Position
AB 2312 (Ammiano)	Controlled Substances. Seeks to set statewide protocol for how local jurisdictions may regulate medical marijuana dispensaries. The CA Supreme Court is now reviewing permissible local regulation of medical marijuana distribution in conjunction with the state and federal law in 3 cases including <i>Pack v. City of Long Beach</i> . The bill also seeks to change existing statute that was enacted just 3 months ago. AB 1300 provides local jurisdictions have the authority to regulate the location, operation, or establishment of marijuana cooperatives and collective.	4/17 Passed A-Public Safety (4-2); Re-Referred to A-Approps	OPPOSE	Oppose
SB 964 (Wright)	Water Quality. Would limit the circumstances under which the SWRCB is exempt from specific requirements in the Administrative Procedure Act that govern the actions taken by state agencies when they adopt rules, regulations and standards. SB 964 would require that the board adopt rules using procedural safeguards defined in the APA whenever it issues, denies, or revokes waste discharge requirements, general permits and waivers on a statewide, region-wide, or industry-wide basis.	4/23:S-Environmental Quality- DEAD	SUPPORT	Support
SB 965 (Wright)	Water Quality; ex-parte communication. Clarifies that there is no prohibition on ex-parte communication State Water Resources Control Board member, or regional boards and the regulated community in connection with specific permit proceedings, including those involving the issuance or modification of general stormwater permits.	4/23: Passed S-Environmental Quality. Referred to S-Approps.	SUPPORT	Support
SB 1386 (Lowenthal)	Municipal water districts: water storage. This bill would prohibit a district located in a county with a population greater than 8 million persons and where at least 80% of the area of the district is included within the boundaries of a water replenishment district from having specified authority relating to the storage of water.	5/17 In Assembly. Read First Time. Held at Desk.	Watch	Support SEWC sponsored bill. Commerce members of SEWC.
SB 1185 (Price)	Centralized Intelligence Partnership Act. This bill would establish a multi-agency partnership, Centralized Intelligence Partnership (CIP), to collaboratively and more effectively utilize state resources to combat the underground economy and recapture revenues lost to criminal organizations.	5/25 From committee. Do pass as amended. S-Second Reading.	Supported by the Los Angeles County League Division	Support

Bill # / Author	Topic	Location/Status	League Position	City Staff Position
AB 1549 (Gatto)	Expedited Permit Review. Would require cities with a population more than 100,000 to designate an administrative entity to serve as the permit applicant's single point of contact with the local agency, upon request of an applicant.	Passed A-Nat. Res. On 4/16; Passed A-Local Gov't on 3/21; Refer to A-Approps	Oppose	Watch
SB 1222 (Leno)	Solar Energy Permits. Would place a cap on building permit fees on solar residential systems as well as require local agencies to provide a report to the California Energy Commission (CEC) no later than December 1, 2013.	Passed S-Gov & Finance on 4/25; Refer to S-Approps	Oppose	Watch
SB 1330 (Simitian)	License Plate Recognition. Recently amended to require police departments to provide a search warrant to access LPR data maintained by a private vendor, and also to notify any person within five days if their record has been accessed. Burdens the day-to-day operation of police departments and a waste of resources and time.	Passed S-Judiciary on 4/24; Refer to S-Approps	Oppose	Watch



State Board of Equalization

News Release

Chairman Jerome E. Horton

4th District – Los Angeles

Kristine Cazadd
Executive Director
www.boe.ca.gov

For Immediate Release
May 25, 2012

Contact: NR 49-12-H
Jaime Garza
916-327-8988

Landmark Legislation to Save California Millions Gains Momentum **SB 1185 Creates Coalition to Arrest Underground Economy**

Sacramento - California could recapture \$32 million annually under a proposed law designed to combat the state's underground economy by reducing criminal activity and leveling the playing field for California businesses, Board of Equalization (BOE) Chairman Jerome E. Horton announced today.

The BOE is partnering with Senator Curren D. Price, Jr. (D-Los Angeles) to promote legislation (Senate Bill 1185), which would create a *Centralized Intelligence Partnership (CIP)* – a central location for the BOE, the Franchise Tax Board, and the Employment Development Department to share information that will help them expose, investigate and prosecute illegal operators as well as create a statewide evasion hotline for the public to anonymously report illegal activities. SB 1185 continues to gain momentum as it advances through the legislative process, moving Thursday from the Senate Appropriations Committee and heading for a Senate Floor vote.

"Thursday's vote represents a critical step for California to begin to recapture the estimated \$8 billion in uncollected, annual tax revenue which results from the illegal business operators who conduct business in the underground economy", said Horton. "I applaud the Senate Appropriations Committee, for its affirmative vote, and Senator Curren Price for initiating the bold step to ensure that our state agencies have the organizational infrastructure in place to identify and aggressively prosecute those individuals and organized crime syndicates that engage in these illegal activities."

If adopted, the CIP would become operational January 1, 2013 and is expected to generate \$38 for every dollar invested by its third operating year. It will remain revenue-neutral while ramping up in the first two years. The partnership would achieve significant savings by accelerating the investigations process, reducing prosecution costs, and creating efficiencies through the collaborative efforts of the CIP and law enforcement agencies.

California's underground economy deprives the state of \$8 billion in state taxes annually through a spectrum of illegal activities, including the sale of counterfeit goods like "knock off" designer items, offering and paying for services under the table, the exploitation of victims of human trafficking, and smuggling goods into California without paying the required taxes.

Criminals who don't pay taxes harm legitimate businesses by offering goods for lower prices and deprive the state and local governments of corporate, personal and sales and use taxes used to fund critical state and local public services like schools, public safety, transportation, and others. Illegal operators in the Underground Economy ignore many state laws, deprive workers of employment protections, contribute to crime in our local communities and create health and safety hazards for consumers.

* * * * *

Elected in 2010, Chairman Jerome E. Horton is the Fourth District Member of the California State Board of Equalization, representing more than 8.5 million residents in Los Angeles County. He is also the Board of Equalization Legislative Committee chairman. He is the first to serve on the Board of Equalization with over 21 years of experience at the BOE. Horton previously served as an Assembly Member of the California State Assembly from 2000 to 2006.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$50 billion annually in taxes and fees supporting state and local government services. It hears business taxes appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property tax. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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Connect with Us:



What is the Underground Economy?

The underground economy refers to those individuals and businesses that deal in cash and/or use other schemes to conceal their activities, identities, and true tax liabilities from government licensing, regulatory, and taxing agencies.

Illegal activities of the underground economy range from the sale of stolen or counterfeit products to the exploitation of victims of human trafficking. It offers an unfair and illegal advantage to those who do not comply with California's tax laws.

How Does the Underground Economy Affect Us?

The Underground Economy hurts us all. Tax revenues to support government services like schools, public safety, hospitals, parks, and roads are lost, workers are forced to go without basic employment protections, legitimate businesses are confronted with unfair competition, and it allows human traffickers to operate and victimize individuals trapped in forced labor conditions.

What is the cost?

An estimated \$8 billion in corporate, personal, and sales and use taxes goes uncollected in California each year, with unreported and underreported economic activity in the Underground Economy responsible for the vast majority of that total.

What is the Centralized Intelligence Partnership (CIP)?

To combat the Underground Economy, BOE is working with the Legislature on Senate Bill 1185 (Price) to create a Centralized Intelligence Partnership (CIP) to create a central intake center, share consumer complaints, research leads that will assist in the recapture of unreported taxes, assist in finding employers exploiting workers and operating illegally, and cooperate on efforts to investigate and prosecute violations.

The CIP includes the following agencies: Board of Equalization, Franchise Tax Board, Department of Insurance, Employment Development Department, Department of Justice, Department of Health, Department of Motor Vehicles, Department of Consumer Affairs, and Department of Industrial Relations.

What will the CIP do?

The CIP is anticipated to increase California's revenues by facilitating broader information sharing, accelerating the investigations process and reducing prosecution costs through collaborative investigations.

In addition, the CIP is designed to streamline the intake complaint process by providing the public with a centralized one-call complaint hotline, which will analyze all complaints and direct them to the correct venue(s) for appropriate administrative or investigative action.

Who Supports SB 1185 (Price)?

- | | |
|--|--|
| California Association of Health Services at Home | Cities of Gardena, Hawthorne, South Gate, Carson, and Lakewood |
| California Building Industry Association | Construction Industry Legislative Council |
| California Chamber of Commerce | Southwest California Legislative Council |
| California Healthcare Institute | California Manufacturing and Technology Association |
| California Spa and Pool Industry Education Council | Culver City Chamber of Commerce |
| California Taxpayers' Association | Fullerton Chamber of Commerce |
| | Los Angeles Area Chamber of Commerce |

SB 1386 (Lowenthal)

- The Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Existing law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of right to water in the district. SB 1386 would prohibit a district located in a county with a population greater than 8 million persons and where at least 80% of the area of the district is included within the boundaries of a water replenishment district from managing, controlling or administering the storage of groundwater. It would also prohibit a district from storing water underground except by court order or under contract to a holder of adjudicated groundwater extraction rights.
- SB 1386 applies exclusively to the Central Basin Municipal Water District. It is the only municipal water district in Los Angeles County with 80% or more of its service area included within the boundaries of a water replenishment district. No other water district in the state is affected by the provisions of SB 1386.
- SB 1386 is co-sponsored by the Southeast Cities Water Coalition, the Central Basin Water Association and the West Basin Water Association. These organizations represent the cities, investor-owned water utilities and mutual water companies that supply water directly to 4 million consumers in the Central and West Coast Basin areas of Los Angeles County.
- The Water Code provides virtually identical powers to many different types of water districts. In cases where potential statutory conflict is apparent, the Legislature often steps in to clarify the law to eliminate the conflict. Such was the case in 1965 when the Legislature provided that a municipal water district **may not** levy a replenishment assessment if 80% or more of the municipal water district area is included within the boundaries of a water replenishment district.
- A similar conflict exists now with respect to groundwater storage. For more than 50 years and until quite recently, the “groundwater” role of the Water Replenishment District of Southern California (WRD) and the “imported surface water” role of the Central Basin MWD have been acknowledged and honored by the two districts. Central Basin MWD supported the creation of WRD. Central Basin MWD is a member agency of the Metropolitan Water District of Southern California and sells State Water Project supply purchased through that district.

Historically, the many customers the two districts have in common have dealt with the Water Replenishment District on groundwater matters and the Central Basin Municipal Water District on imported surface water matters.

- In recent years, the Central Basin MWD has departed from its imported water role to insert itself into the groundwater arena, first by purchasing groundwater extraction rights it does not use and then by relying on those rights to intervene as a party in a pending Central Basin Judgment action relating to groundwater storage. And, opposed by the vast majority if not every groundwater producer, it has proclaimed itself the groundwater storage management agency for the Central Basin area. Central Basin MWD overlies only a portion of the Central Basin Groundwater Aquifer. Other MWD of Southern California member agencies that overlie the aquifer include the cities of Los Angeles, Compton and Long Beach.
- The Central Basin MWD argues that SB 1386 would interfere with pending litigation. The question of whether the storage of groundwater will be permitted in the Central and West Coast basins and how that storage will be accomplished is presently before the courts. Central Basin MWD argues the court does not have jurisdiction to decide the matter, yet it was the court that adjudicated the groundwater basin and established pumping rights. Under the pending litigation, Central Basin MWD, as a holder of limited groundwater rights, would be able to store water below ground for itself, but not for other groundwater right holders.
- These and related actions by the Central Basin MWD have resulted in the enormous, needless expenditure of time and money by groundwater producers in both groundwater basins, causing them now to seek a legislative remedy.
- The storage role of WRD is more explicit in the Water Code and in case law. SB 1386 does not increase or diminish WRD's legal authority with respect to storage. It simply provides statutory guidance with respect to groundwater storage functions when the boundaries of a water replenishment district overlie 80% or more of the boundaries of a municipal water district.
- The Water Replenishment District supports SB 1386. It will eliminate the effort by the Central Basin Municipal Water District to become a "groundwater" agency, which it is not, and refocus the efforts of that District as an "imported water" agency—its historical and present role.



CITY OF COMMERCE

Lilia R. Leon
Mayor

Tina Baca Del Rio
Mayor Pro Tem

Joe Aguilar
Councilmember

Ivan Altamirano
Councilmember

Denise M. Robles
Councilmember

April 3, 2012

The Honorable Ron Calderon
California State Senate
State Capitol
10th & L Street
Sacramento, CA 95814

RE: AB 1585 (Pérez). Redevelopment. - NOTICE OF SUPPORT

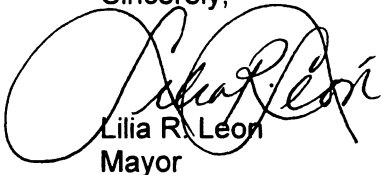
Dear Senator Calderon:

The City of Commerce is pleased to support AB 1585 (Pérez), which includes technical and substantive fixes to AB X1 26, the redevelopment dissolution bill.

Without the passage of AB 1585, vital city services, affordable housing funding, and redevelopment agency asset values are threatened. AB XI 26 excluded most outstanding loans between a city or county to a redevelopment agency from being considered an "enforceable obligation," which if left unaddressed, will result in budget hardships and will threaten public safety and other vital services in our city. We also have significant concerns about the loss of affordable housing funding and a potential "fire sale" phenomenon of public assets without more careful analysis.

This bill is a step in the right direction and provides needed policy and technical clarifications to successor agencies, oversight boards and successor housing entities. For these reasons, the City of Commerce supports AB 1585. If you have any questions about our position, you can reach me at (323) 722-4805, at extension 2256.

Sincerely,



Lilia R. Leon
Mayor

cc:

Governor Jerry Brown (Fax: 916/558-3177)
Assembly Speaker John Pérez
Assembly Member Ricardo Lara
Dan Carrigg, League of California Cities (Fax: 916/658-8240)
Kristine Guerrero, League of California Cities



CITY OF COMMERCE

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Councilmember

June 5, 2012

The Honorable Bob Wieckowski
California State Assembly
State Capitol, Room 4162
Sacramento, CA 95814

RE: AB 1692 (Wieckowski): Municipal Bankruptcy. - *OPPOSE* (As amended 4/16/2012)

Dear Assembly Member Wieckowski,

The City of Commerce regrets to inform you of our opposition to your AB 1692.

As you know, late last legislative session a compromise was reached on AB 506, which put into place the pre-bankruptcy mediation provisions that exist in statute today. The agreement on AB 506 was a notable compromise in the Legislature, because it had been preceded by three years of intense legislative battles. When an agreement was made in good faith between you, your sponsors and concerned parties, the expectation was that the matter had been resolved.

It is with great concern and frustration that amendments to AB 1692 seek to unravel key features of last year's agreement on AB 506. The amendments revert to concepts that were advanced in earlier versions of AB 506 which local governments strongly opposed.

We believe it's imperative for the state and local governments to be able to work together effectively. Seeking to undo key parts of AB 506 just months after it was passed does not foster a culture of trust. How can local governments be expected to effectively work with a legislature that can treat recent agreements and negotiation with such disregard?

For these reasons, the City of Commerce respectfully requests that you withdraw this measure and allow AB 506 and the agreement that was reached with you last September to have a fair opportunity to work.

Sincerely,

Lilia R. Leon
Mayor

cc:
Chair and Members, Assembly Local Government Committee
Assembly Member Cameron Smyth (Chair), Fax: (916) 319-2138
Assembly Member Luis Alejo (Vice Chair), Fax: (916) 319-2128
Assembly Member Steven Bradford, Fax: (916) 319-2151
Assembly Member Nora Campos, Fax: (916) 319-2123
Assembly Member Mike Davis, Fax: (916) 319-2148
Assembly Member Richard S. Gordon, Fax: (916) 319-2121
Assembly Member Ben Hueso, Fax: (916) 319-2179

Assembly Member Steve Knight, Fax: (916) 319-2136
Assembly Member Chris Norby, Fax: (916) 319-2172
Assembly Member Ricardo Lara, California State Assembly
Debbie Michel, Consultant, Assembly LGov Cmte Fax: (916) 319-3959
William Weber, Consultant, Assembly (R) Caucus, Fax: (916) 319-3902
Kristine Guerrero, League Regional Public Affairs Manager
Dan Carrigg, League of California Cities, Fax: (916) 658-8240



CITY OF COMMERCE

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June 5, 2012

The Honorable Ricardo Lara
California State Assembly
State Capitol Building, Room 2179
Sacramento, CA 95814

RE: AB 2231 (Fuentes). Sidewalks: Repairs. - NOTICE OF OPPOSITION

Dear Assemblymember Lara,

On behalf of the City of Commerce, I regret to inform you of our opposition to AB 2231, which would amend long-standing statutes related to sidewalk repairs and drastically changing current law.

Current law provides that property owners are responsible for repairs on sidewalks adjacent to their property. However, AB 2231 would make the City of Commerce responsible for the repair of any sidewalks the city owns or that have been damaged by any plant or tree. The bill would also make our city liable for any injury resulting from a failure to repair, opening up our city to multiple lawsuits for which we cannot afford. On top of all of this, your bill prohibits the city from imposing an assessment on the adjacent property owner for the repair of the sidewalk.

In these fiscally difficult times, our city has been forced to make tough fiscal decisions in deciding which local maintenance projects can be sustained. It is difficult to justify repairing a sidewalk for a homeowner in a residential neighborhood instead of life-safety issues such as law enforcement or fire protection.

For these reasons, the City of Commerce opposes AB 2231. If you have any questions about our position, please contact Danilo Batson, Assistant Public Services Director at (323) 722-4805, at extension 2335.

Sincerely,

Lilia R. Leon
Mayor

cc: Honorable Ron Calderon, California State Senate
Honorable Felipe Fuentes, California State Assembly, via fax: (916) 319-2139
Jennifer Whiting, League of California Cities, via fax: (916) 658-8240
Kristine Guerrero, League Regional Public Affairs Manager



CITY OF COMMERCE

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Ivan Altamirano
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Denise M. Robles
Councilmember

June 5, 2012

The Honorable Felipe Fuentes
Chair, Assembly Appropriations Committee
State Capitol Building, Room
Sacramento, CA 95814
Via Fax: (916) 319-2181

Re: AB 2312 (Ammiano). Controlled Substances - OPPOSE

Dear Assembly Member Fuentes:

The City of Commerce opposes Assembly Bill 2312 (Ammiano). This effort is premature and would create additional costs to our city. We urge you to oppose this bill until the California Supreme Court delivers its decision on three important medical marijuana regulation cases later this year, including *Pack v. City of Long Beach*.

Medical marijuana regulation is a complex issue. Potential conflicts between state and local authority have been the source of many lawsuits with varying outcomes. It simply makes more sense to understand the extent of both local and state powers in this area following the state Supreme Court rulings before the Legislature establishes a new statewide regulatory scheme.

In addition, preserving local discretion, as provided for under AB 1300 (Blumenfeld; 2011), would come with a hefty price tag if AB 2312 becomes law. This bill requires a minimum number of dispensaries in each city based on population. The only way cities can change that number is by conducting burdensome reports or holding an election.

Our resources would be better spent on providing services to our community in all areas of need, not just medical marijuana regulation.

To avoid further confusion with the pending court decisions and the additional costs to preserve our local authority, the City of Commerce opposes AB 2312 and urges you to vote "no" on this bill. If you have any questions please do not hesitate to contact me at 722-4805, at extension 2258.

Sincerely,

Lilia R. Leon
Mayor

cc: Assemblymember Ricardo Lara
Honorable Tom Ammiano, via fax 916/319-2113
Assembly Republican Caucus, via fax: 916/319-3902
League of California Cities, via fax: 916/658-8240
Kristine Guerrero, League of California Cities



CITY OF COMMERCE

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Denise M. Robles
Councilmember

June 5, 2012

The Honorable Rod Wright
State Capitol, Room 5064
Sacramento, CA 94248-0001
Fax: (916) 445-3712

Re: SB 965 (Wright). Water Quality- NOTICE OF SUPPORT

Dear Senator Wright:

The City of Commerce supports your bill, SB 965 which will clarify there is no prohibition on *ex parte* communications between members of the State Water Resources Control Board or the California regional water quality boards (State Water Boards) and the regulated community in connection with specified permit proceedings, including those involving the issuance or modification of general storm water permits.

The clarification provided by this legislation is essential to remove a formidable obstacle that prevents the effective exchange of information between the Board and our organization. The challenges presented by the current format are detrimental to the effort to protect the waters of the State and the fiscal health of municipalities, water agencies and businesses throughout the State.

We have found the challenges created by the *ex parte* communication rules to be counterproductive to our efforts of working with the Board in the development of effective and efficient solutions for meeting the increasing demands of the Clean Water Act and the stormwater permits.

For these reasons and to further the goal of creating a process that is efficient and produces effective outcomes, the City of Commerce supports SB 965.

If you have any questions about our position, please contact Danilo Batson, Assistant Public Services Director, at (323) 722-4805, at extension 2335.

Sincerely,

Lilia R. Leon
Mayor

cc: Kyra Ross, League of California Cities, (kross@cacities.org or Fax 916-658-8240)
Honorable Ron Calderon, California State Senate
Honorable Ricardo Lara, California State Assembly
Kristine Guerrero, Regional Public Affairs Manager



CITY OF COMMERCE

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June 5, 2012

The Honorable Rod Wright
State Capitol, Room 5064
Sacramento, CA 94248-0001
Fax: (916) 445-3712

Re: SB 964 (Wright). Water Quality - NOTICE OF SUPPORT

Dear Senator Wright:

The City of Commerce supports your measure, SB 964, which would limit the circumstances under which the State Water Resources Control Board (State Water Board) is exempt from specific requirements in the Administrative Procedure Act (APA) that govern the actions taken by state agencies when they adopt rules, regulations and standards.

Under current law the State Water Board is exempt from the APA requirements for regulations when it issues, denies or revokes specified waste discharge requirements and permits, regardless of whether these requirements and permits would otherwise be regarded as "regulations" because of their general application to a significant number of persons or entities, even though the same requirements apply to nearly every other state agency. Moreover, the State Water Board is not required to evaluate the cost impacts to those affected by the permits, discuss alternatives to the regulatory action, or comply with other procedural safeguards contained in the rulemaking procedures of the APA when it issues these general permits.

SB 964 would require that the State Water Board adopt regulations using the procedural safeguards defined in the APA whenever it issues, denies, or revokes waste discharge requirements, general permits and waivers that apply on a statewide, region-wide, or industry-wide basis.

For these reasons and to further the goal of creating a process that is efficient and produces effective outcomes, the City of Commerce supports SB 964. If you have any questions about our position, please contact Danilo Batson, Assistant Public Services Director, at (323) 722-4805, at extension 2335.

Sincerely,

Lilia R. Leon
Mayor

cc: Kyra Ross, League of California Cities, (kross@cacities.org or Fax 916-658-8240)
Honorable Ron Calderon, California State Senate
Honorable Ricardo Lara, California State Assembly
Kristine Guerrero, Regional Public Affairs Manager



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June 5, 2012

The Honorable Alan Lowenthal
California State Senate
State Capitol, Room 2032
Sacramento, CA 95814

Subject: **Senate Bill 1386 (Lowenthal) – Municipal Water Districts: Water Storage –
SUPPORT POSITION**

Dear Senator Lowenthal:

The City of Commerce is pleased to support your measure, SB 1386 (Lowenthal), that would clarify the Water Code to eliminate the statutory language the Central Basin Municipal Water District (CBMWD) relies on to assert groundwater storage authority and prohibit that District from performing related groundwater storage functions other than acting as a supplier of water to its customers as a source of storage.

In recent years, the CBMWD has inserted itself into the groundwater arena, first by purchasing groundwater extraction rights it does not use, then by relying on those rights to file or intervene in groundwater litigation, and then by sponsoring unsuccessful legislation naming itself the groundwater overseer of Central Basin

In addition, most recently CBMWD has embarked on the development of a Programmatic Environmental Impact Report for groundwater storage, an action opposed by the vast majority if not all groundwater producers in the Central and West basin areas of Los Angeles County.

As members of the Southeast Water Coalition (SEWC), the City of Commerce supports SB 1386 that is co-sponsored by the SEWC, the Central Basin Water Association and the West Basin Water Association.

If you should have any questions about our position, you can contact Mr. Danilo Batson, Assistant Public Services Director for the City of Commerce at (323) 722-4805, at extension 2335.

Sincerely,

Lilia R. Leon
Mayor

cc: Honorable Ron Calderon, California State Senate
Honorable Ricardo Lara, California State Assembly



CITY OF COMMERCE

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Denise M. Robles
Councilmember

June 5, 2012

Senator Curren Price
California Senate, 26th District
State Capitol, Room 2057
Sacramento, CA 95814

Subject: **Senate Bill 1185 (Price) - Centralized Intelligence Partnership to
Combat the Underground Economy – SUPPORT POSITION**

Dear Senator Price:

California's tax revenues provide essential funding for our city's local programs and operations but every day illegal "underground" operations rob our city of money that support our community's education, public safety, transportation, and other critical services.

Therefore, I write on behalf of the City of Commerce to offer our wholehearted support of Senate Bill 1185, Centralized Intelligence Partnership Act. We agree that state and local civic leaders need to work together to identify and prosecute those criminal elements that put California's economic health and future growth of its business communities at peril.

In addition, it's our understanding that this measure has the support of the Los Angeles County League of California Cities Division, which we are members of. Please let me know if there is anything further we can do to enable the successful passage of this important bill.

Sincerely,

Lilia R. Leon
Mayor

cc: Honorable Ron Calderon, California State Senate
Honorable Ricardo Lara, California State Assembly



AGENDA REPORT

DATE: June 5, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: AUTHORIZE BANNER ADVERTISEMENT OF ENVIRONMENTAL MESSAGES FUNDED BY USED OIL AND BEVERAGE CONTAINER RECYCLING GRANTS PROVIDED BY THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE)

RECOMMENDATION:

Authorize staff to purchase and install banners with an environmental message on Washington Boulevard and Telegraph Road funded by two CalRecycle Grants.

MOTION:

Move to approve the recommendation.

BACKGROUND/ ANALYSIS:

The City received two grants from the California Department of Resources Recycling and Recovery (CalRecycle), a Used Oil Recycling Grant and a Beverage Container Recycling Grant each for \$5,000. The Used Oil Grant funds are limited mainly to purchasing do-it-yourselfer oil drainer containers, oil funnels, oil absorbent materials, and public education. The City has already purchased oil containers and funnels and has a healthy reserve of these items and produced educational used oil brochures and an advertisement in the upcoming Focus on Business publication. The Beverage Container Grant may be used for public education and promoting business recycling.

As part of the City's effort to increase environmental awareness, change the behavior of residents and businesses, increase recycling, and reduce urban pollution, the banners will advertise two environmental messages regarding used oil and business recycling. The City is required as part of its National Pollutant Discharge Elimination System (NPDES) Stormwater Permit to educate the public about the effects of urban runoff, reduce water quality pollution and to report the City's efforts annually.

Displaying attractive banners in a targeted heavily-travelled area of Washington and Telegraph will reach the largest audience. The cost for 100 banners is \$11,178 with installation from AAA Flag & Banner Manufacturing Company, the same company that provided the most economical costs for the City's 50th Anniversary banners. The City owns the display hardware that was purchased with the 50th Anniversary banners. 50 banners would display a used oil recycling message and 50 would promote business recycling.

FISCAL IMPACT:

There is no adverse fiscal impact since funds are provided from two new CalRecycle grants in addition to remaining funds from last year's grants.

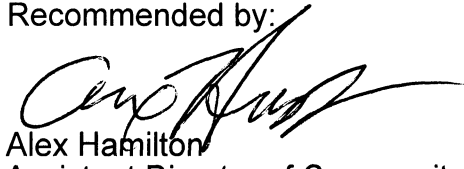
RELATIONSHIP TO 2009 STRATEGIC GOALS:

This agenda report item complies with Goal #2 – *Protect and Enhance Quality of Life in the City of Commerce*. In conjunction with State and Federal water quality regulations, Commerce's promotion of used oil recycling enhances water quality for all residents.

Respectfully submitted,

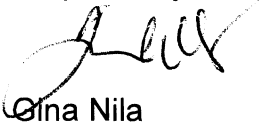

Jorge Rifa
City Administrator

Recommended by:



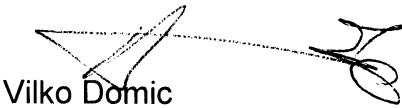
Alex Hamilton
Assistant Director of Community Development

Prepared by:



Gina Nila
Environmental Services Manager

Fiscal impact reviewed by:



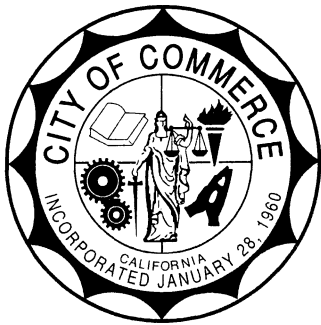
Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney

Attachment: Banner designs (2)



AGENDA REPORT

Meeting Date: June 5, 2012

TO: Honorable City Council

FROM: City Administrator

SUBJECT: FEDERAL TRANSIT ADMINISTRATION SECTION 5316-JOB ACCESS AND REVERSE COMMUTE (JARC) - AUTHORIZATION FOR CITY STAFF TO APPLY FOR FUNDING IN THE AMOUNT OF \$503,709.

RECOMMENDATION:

At the discretion of the City Council, authorize city staff to apply for funding in the amount of \$503,709 from the Federal Transit Administration (FTA) Section 5316-Job Access and Reverse Commute (JARC) grant. Project timeframe is January 01, 2013 - December 31, 2015.

MOTION:

Move to approve recommendation.

BACKGROUND:

The goal of the JARC program is to improve the access to transportation services, to employment and employment related activities for welfare recipients and eligible low-income individuals, and to transport residents of urban areas to suburban employment opportunities. Toward this goal, the FTA provides financial assistance for transportation services planned, designed, and carried out to meet the transportation needs of eligible low-income individuals, and of reverse commuters regardless of income. This is a competitive grant process and approximately \$21.6 million is available.

The City is proposing to operate one Medi-Ride size vehicle to transport passengers between the 26th Street Metrolink station (Orange County Line) and businesses in the City of Commerce. Service would be operated between 7:00 a.m. and 9:32 a.m. and between 3:30 p.m. and 5:38 p.m. This service may be adjusted depending on Metrolink schedules. There is very limited transit service provided to the 26th Street Metrolink station. The only direct service is provided by Commerce's Orange route, which picks up an average of four (4) passengers daily from the Metrolink station.

No capital vehicle funding is requested for this service. Staff will use equipment within existing fleet.

ANALYSIS:

The City of Commerce is served by two Metrolink routes. The Montebello-Commerce Station located at 2000 Flotilla Street is served by Metrolink's Riverside line. Local transit service is provided by Metro and Montebello buses. Montebello Bus Lines' LINK service provides dial-a-ride service between this station and businesses in Montebello and Commerce. This service is very successful and is used by Commerce residents and City staff members.

The Commerce Metrolink station is located at 6433 26th Street and is served by Metrolink's Orange County Line. The only direct transit service to this station is provided by Commerce's Orange Route, which picks up an average of four passengers daily from the

station. The City has received several requests from local businesses to provide shuttle service to the Commerce Metrolink station.

OBJECTIVES FOR THIS PROJECT:

- Help increase ridership on the Orange County Line by making it easier for commuters to travel to/from worksites in the City;
- Improve the mobility of commuters by providing shuttle service between the Commerce Metrolink station (Orange County Line) and worksites in the City of Commerce; and
- Open employment opportunities in the City by improving transportation options as noted above.

FISCAL IMPACT:

The City is requesting \$503,709 in JARC funding from the Federal Transit Administration (FTA) to operate the Metrolink shuttle service for three years. Fifty percent (50%) of the funds would be provided by JARC funding, and the remaining fifty percent (50%) through toll credits.

Since no matching funds from the City are required, this activity can be carried out without impacting the City's general fund.

RELATIONSHIP TO 2009 STRATEGIC GOALS:

The proposed recommendation relates to the 2009 strategic planning goal: "*Protect and Enhance the Quality of Life in the City of Commerce,*" as it addresses an environmental issue through the increased use of public transit services, resulting in lower emissions.

Recommended by:



Claude McFerguson
Director of Transportation

Respectfully submitted,

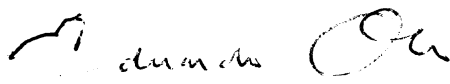


Jorge Rifa
City Administrator

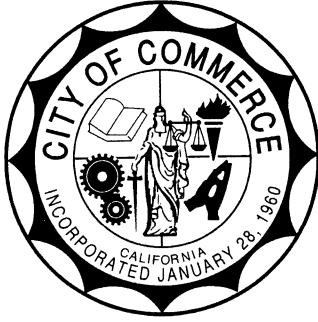
Budget Impact Review by:

Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney



AGENDA REPORT

DATE: June 5, 2012

TO: HONORABLE SUCCESSOR AGENCY

FROM: EXECUTIVE DIRECTOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, ACTING AS THE GOVERNING BODY OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE, APPROVING AN AGREEMENT WITH DMD APPRAISALS FOR THE APPRAISAL OF SUCCESSOR AGENCY OWNED PROPERTY LOCATED AT 4957 SHEILA STREET AND 4800 WASHINGTON BOULEVARD, COMMERCE CALIFORNIA

RECOMMENDATION:

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

MOTION:

Move to approve the recommendation.

BACKGROUND/ANALYSIS:

Gatwick Group, LLC ("Gatwick") has had conceptual discussions with the Commerce Community Development Commission ("Commission")/Successor Agency staff since early last Fall regarding a retail redevelopment concept involving the entire approximately 13.3 acre site bounded on the north by Washington Boulevard, east by Atlantic Boulevard, south by Sheila Street, and on the west by the I-710 Freeway. The approximately 13.3 acre site is comprised of the following ownership interests:

- Gatwick Group, LLC: 7.76 ac.
- Klein Trust: .17 ac.
- UP & AT/SF (BNSF): 1.50 ac.
- CDC/Successor Agency: 3.90 ac.

The Successor Agency owned property is comprised of two parcels, one of which is located at 4957 Sheila and is approximately 3.07 acres, and 4800 Washington Boulevard which is approximately .85 acres (the "Commission Properties").

Gatwick advised Successor Agency Staff that it has an interest in acquiring the Commission Properties. On October 18, 2011, the Commission approved a license with Gatwick, to allow access to the Commission Properties to conduct geotechnical testing. This was done in conjunction with an overall assessment being conducted by Gatwick to determine the overall site's suitability for a potential retail development. As part of that feasibility effort, Gatwick also had a property appraisal performed (at their expense) to include the Commission Properties.

The Successor Agency has received a copy of the property appraisal by Gatwick which was prepared by Frazier Capital Valuation. Based on the appraisal, Gatwick has made an offer to purchase the Commission Properties. It is customary for staff to review the appraisal and have a separate appraisal performed by an independent consultant working

on behalf of the City. These tasks involve the work of a fully credentialed appraiser to review the underlying documents and generate a separate appraisal. For the subject site, it is critical that the appraiser have a local working knowledge of the market conditions as well as the unique opportunities and constraints found in the City. Prior experience on properties in the City is a plus.

Given this, staff contacted Mr. Dale Donerkiel from DMD Appraisals, Inc. to solicit a price proposal for a property appraisal of the Commission Properties. Per Mr. Donerkiel, the costs associated with the preparation of separate appraisals would be \$8,000.00 maximum with the breakdown as follows: \$5,000 for 4957 Sheila and \$3,000 for 4800 Washington. DMD estimates completion of the appraisals within 2-4 weeks once they are authorized to proceed.

Mr. Donerkiel and DMD Appraisals are familiar with the overall site having done prior appraisal work for that site and several parcels in the area over 10 years ago. In addition, DMD has comprehensive experience Commerce spanning over 50 commercial and industrial transactions including appraisal work for the Citadel. They also recently prepared an appraisal for the City owned property at 4560 Washington (Commerce Truck Stop). This appraisal included the complex valuation of an existing 50 year City ground lease as well as a fee simple interest analysis of the market value of the land and improvements.

FISCAL IMPACT:

The cost to complete the appraisals would be \$8,000.00 maximum. Funds for this work are available in Account 84-9400-54043 (Project Area 3-Contract for Consulting Services). This line item was approved in the Recognized Obligation Payment Schedule (ROPS) January 2012 – June 2012. The ROPS was approved by the Commerce Oversight Board and subsequently by the State Department of Finance (DOF) with work completed in 2-4 weeks.

Recommended by:


Alex Hamilton
Assistant Director of Community Development

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. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE, APPROVING AN AGREEMENT WITH DMD APPRAISALS FOR THE APPRAISAL OF SUCCESSOR AGENCY OWNED PROPERTY LOCATED AT 4957 SHEILA STREET AND 4800 WASHINGTON BOULEVARD, COMMERCE, CALIFORNIA

WHEREAS, Gatwick Group, LLC ("Gatwick") had conceptual discussions with the Commerce Community Development Commission ("Commission")/Successor Agency staff since early last Fall regarding a retail redevelopment concept involving the entire approximately 13.3 acre site bounded on the north by Washington Boulevard, east by Atlantic Boulevard, south by Sheila Street, and on the west by the I-710 Freeway; and

WHEREAS, the approximately 13.3 acre site is comprised of the following ownership interests: Gatwick Group, LLC - 7.76 ac.; Klein Trust -.17 ac.; UP & AT/SF (BNSF) - 1.50 ac.; and CDC/Successor Agency - 3.90 ac; and

WHEREAS, the Successor Agency owned property is comprised of two parcels, one of which is located at 4957 Sheila and is approximately 3.07 acres, and 4800 Washington Boulevard which is approximately .85 acres (the "Commission Properties"); and

WHEREAS, Gatwick has advised Successor Agency Staff that it has an interest in acquiring the Commission Properties; and

WHEREAS, Gatwick had a property appraisal performed (at their expense) of the Commission Properties and made an offer to purchase the Commission Properties; and

WHEREAS, it was customary for staff to review the appraisal and have a separate appraisal performed by an independent consultant working on behalf of the Commission; and

WHEREAS, staff contacted Mr. Dale Donerkiel from DMD Appraisals, Inc. to solicit a price proposal for an appraisal of the Commission Properties. Per Mr. Donerkiel, the costs associated with the preparation of separate appraisals would be \$8,000.00 maximum with the breakdown as follows: \$5,000 for 4957 Sheila and \$3,000 for 4800 Washington. DMD estimates completion of the appraisals within 2-4 weeks once they are authorized to proceed; and

WHEREAS, pursuant to AB 1X 26, the matter must also be approved by the Oversight Board.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The Agreement between the Successor Agency to the Commerce Community Development Commission and DMD Appraisals is hereby approved. The Agreement will become effective after approval by the Oversight Board to 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 5th day of June, 2012.

Lilia R. Leon, Chairperson

ATTEST:

Linda K. Olivieri, MMC
Secretary

THIS AGREEMENT (the "Agreement") dated as of June 5th, 2012(the "Effective Date") is made by and between DMD Appraisal, Inc. ("Consultant") and the Successor Agency to the Commerce Community Development Commission (the "Successor Agency").

RECITALS

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

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

AGREEMENT

1. Scope of Services and Schedule of Performance.

Consultant 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 Consultant of all the Services, to the satisfaction of the Successor Agency.

3. Compensation.

So long as Consultant is discharging its obligations in conformance with the terms of this Agreement, Consultant shall be paid a fee by the Successor Agency 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. Consultant shall send and address its bill for fees, expenses, and costs to the Successor Agency to the attention of the Successor Agency Executive Director. The Successor Agency shall pay the full amount of such invoice; provided, however, that if the Successor Agency or its Executive Director object to any portion of an invoice, the Successor Agency shall notify Consultant of the Successor Agency'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.

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. 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 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.

Consultant is and shall perform its services under this Agreement as a wholly independent contractor. Consultant shall not act nor be deemed an agent, employee, officer or legal representative of the Successor Agency. 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 the Successor Agency. Consultant has no authority to assume or create any commitment or obligations on behalf of the Successor Agency or bind the Successor Agency in any respect. This Agreement is not intended to and does not create the relationship of partnership, joint venture or association between the Successor Agency and Consultant. None of the foregoing shall affect any privilege or protection against disclosure which applies to the services Consultant undertakes under this Agreement.

6. 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 the Successor Agency.

Consultant 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 Consultant. No subcontractors may be substituted for any of the identified subcontractors except with the prior written approval of the Successor Agency Executive Director.

7. Responsible Principal and Project Manager.

Consultant shall have a Responsible Principal and a Project Manager who shall be principally responsible for Consultant obligations under this Agreement and who shall serve as principal liaison between the Successor Agency and Consultant. Designation of another Responsible Principal or Project Manager by Consultant shall not be made without the prior written consent of the Successor Agency.

8. Successor Agency Liaison.

Consultant shall direct all communications to the Successor Agency Executive Director or his designee. All communications, instructions and directions on the part of the Successor Agency shall be communicated exclusively through the Successor Agency Executive Director or

his designee.

9. 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, by all applicable regulating governmental agencies, and are in good standing with such applicable regulating governmental agencies.

1. Compliance with Laws.

Consultant shall, and shall ensure that its employees and its subcontractors, if any, comply with all applicable City of Commerce, 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 Successor Agency relating to safety, security, and the like.

11. Warranty and Liability.

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. Consultant shall be liable for injury or loss caused by the negligence of, or breach of this warranty by Consultant, its employees, its subcontractors, if any, and/or its agents hereunder. This warranty survives the completion and/or termination of this Agreement.

12. Indemnification.

Consultant shall indemnify and hold the Successor Agency and their respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses the Successor Agency 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 Consultant, its employees, its subcontractors or its agents in the performance of the Services hereunder. Consultant 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 Successor Agency 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.

13. 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 (collectively, "Products") shall become the sole property of the Successor

Agency and the Successor Agency shall have authority to publish, disclose, distribute, use, reuse or disposed of the Products in whole or in part, without the permission of Consultant. In the event that this Agreement is terminated by the Successor Agency, Consultant shall provide the Successor Agency 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.

14. Data and Services to be Furnished by the Successor Agency.

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

15. 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, Successor Agency 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 Successor Agency 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 Consultant, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

26. 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 (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 Consultant, who has a conflict relating to the Successor Agency or the performance of Services on behalf of the Successor Agency.

17. Other Agreements.

Consultant warrants that it 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 Successor Agency's prior written consent, perform services for any person, firm, or corporation other than Successor Agency if such services could lead to a conflict with Consultant'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 Successor Agency, with or without cause, upon 5 days written notice to Consultant pursuant to Section 23 of this Agreement.

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

19. Waiver of Breach.

No waiver of any term, condition or covenant of this Agreement by the Successor Agency shall occur unless signed by the Successor Agency Executive Director 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 Successor Agency 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.

30. Assignment.

Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by Consultant, nor shall this Agreement inure to the benefit of any trustee in bankruptcy, receiver, or creditor or Consultant, whether by operation of law or otherwise, without the prior written consent of the Successor Agency 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.

41. 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.

52. 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.

63. 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 Successor Agency:

Successor Agency to the Commerce Community Development Commission
2535 Commerce Way
Commerce, California 90040
Attn: Successor Agency Executive Director

For Consultant:

DMD Appraisals, Inc.
555 South Brand Boulevard
San Fernando, California 91340
Attn: Dale Donerkiel, President

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.

74. 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.

85. 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 Consultant and the Successor Agency.

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.

**SUCCESSOR AGENCY TO THE COMMERCE
COMMUNITY DEVELOPMENT
COMMISSION**

DATED: June 5, 2012

By: _____
Lilia R. Leon, Chairperson

ATTEST:

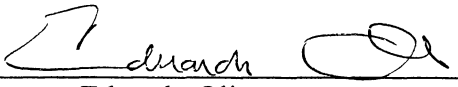
Linda K. Olivieri, Secretary

DMD APPRAISALS, INC.

DATED: June 5, 2012

By: _____
Dale Donerkiel, President

APPROVED AS TO FORM



By: Eduardo Olivo
Title: Successor Agency Legal Counsel

EXHIBIT A

DMD APPRAISALS, INC.

555 South Brand Boulevard, San Fernando, CA 91340 Office: (818) 898-2202 Fax: (818) 898-1770 Email: DMDIncorp@aol.com

PROPOSAL

Mr. Alex Hamilton
CITY OF COMMERCE REDEVELOPMENT
2535 Commerce Way
Commerce, CA 90040

Email: alexh@ci.commerce.ca.us

May 30, 2012

RE: PROPOSAL FOR APPRAISAL SERVICES FOR THE PROPERTY(S):

**3.07 ACRES OF LAND; NORTHWEST CORNER OF ATLANTIC BLVD.
AND SHEILA STREET, COMMERCE, CA 90040 APN: 5244-034-900**

AT YOUR REQUEST, I HAVE ESTIMATED THE COSTS TO APPRAISE THE ABOVE MENTIONED PROPERTY TO BE \$5,000. THE FEE IS PAYABLE **\$2,500 IN ADVANCE AND THE BALANCE OF \$2,500 AT COMPLETION**, PRIOR TO RELEASE OF APPRAISAL. PLEASE MAKE CHECKS PAYABLE TO DMD APPRAISALS AT 555 SOUTH BRAND BLVD., SAN FERNANDO, CALIFORNIA 91340.

INTERESTS APPRAISED: Fee Simple (Land Only)

PREPARATION TIME: 2-4 weeks; following receipt of Signed Contract and payment

PURPOSE OF APPRAISAL: Long Range Planning

INSTRUCTIONS: WE WILL NEED, IF AVAILABLE: PRELIMINARY TITLE REPORT, COPIES OF ANY OLD APPRAISALS, COPIES OF LEASES, ETC...

FOR YOUR INFORMATION: ALL APPRAISALS ARE PREMISED UPON CERTAIN GENERAL & SPECIFIC ASSUMPTIONS. SO THAT YOU ARE INFORMED AS TO THE ANTICIPATED LIMITING CONDITIONS UPON WHICH WE WILL BASE THIS APPRAISAL, WE HAVE ATTACHED A COPY OF THESE ASSUMPTIONS AND CONDITIONS WHICH ARE TO BE CONSIDERED A PART OF THIS CONTRACT. IF FOR YOUR APPRAISAL THESE REQUIRE AMENDMENT, YOU WILL BE NOTIFIED. AT COMPLETION OF REPORTS, YOU WILL RECEIVE TWO BOUND COPIES MAILED, AND/OR ELECTRONIC COPY.

PLEASE SIGN AND RETURN THE ORIGINAL OF THIS LETTER CONTRACT. THANK YOU FOR CONSIDERING US FOR THIS ASSIGNMENT.

DMD APPRAISALS, INC.

**Dale
Donerkiel**

Digitally signed by Dale Donerkiel
DN: cn=Dale Donerkiel, o,
ou=AG002740,
email=dmdincorp@aol.com, c=US
Date: 2012.05.31 12:59:26 -07'00'

Signature _____

Client/Print _____

Date _____

STATEMENT OF LIMITING CONDITIONS

The following statements, assumptions, and considerations are offered as a basis for this particular appraisal report:

Factual information presented in this report has been furnished by or obtained from sources which were considered reliable. While the data is believed to be correct, it cannot be guaranteed.

It is assumed that the legal description and title are good and marketable for this ownership. No examination of title was made or requested as a part of this appraisal.

No land survey was made by the appraiser. While the dimensions and areas shown and/or referred to herein are assumed to be correct, property boundaries and locations of any improvements as indicated on exhibits in this report are not to be construed as being based upon a survey for which the appraiser is responsible.

Market Value of the property is defined as the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

Real Property Only: This appraisal is of real property only as determined by the appraiser from a physical inspection of the premises. All personal property, including furnishings not normally considered part of the real property, have not been included.

Use of Report: This report is made for the exclusive use of the client as addressed in the letter of transmittal.

It is respectfully requested that no reproduction of this report or any portion thereof be undertaken without the consent of the appraiser. Possession of this report does not carry the right of publication.

This appraisal has been made in conformity with the **Uniform Standards of Professional Appraisal Practice (USPAP) and Code of Professional Ethics** of The Appraisal Institute, of which we are members.

Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of The Appraisal Institute.

Licenses, Certificate of Occupancy: The property will be appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.

Liability: The liability of DMD Appraisals, Inc. and the appraiser is responsible for this report is limited to the client only and to the fee actually received by the appraiser. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussion. The appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially and/or legally.

The Appraiser: No one other than the appraiser(s) signing this report has prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal.

The value premises cited are foundational and basic to the values reported herein, and the right is reserved to revise and/or rescind the appraisal opinions in the event the conditions are modified to any extent.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials, may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Testimony or attendance in Court is not required by reason of this appraisal with reference to the property in question. If court testimony is required, our fees for preparation and court time are based upon \$250 an hour, minimum 5 hours to be paid in advance. Any added court time over 5 hours will be invoiced at the rate of \$250 an hour and will include driving time to and from court as well as pre-trial preparation time. All fees are due and payable upon presentation of the invoice.

The interest appraised is the Fee Simple Interest. The date of value is the date of inspection.

DMD APPRAISALS, INC.

555 South Brand Boulevard, San Fernando, CA 91340 Office: (818) 898-2202 Fax: (818) 898-1770 Email: DMDIncorp@Aol.com

PROPOSAL

Mr. Alex Hamilton
CITY OF COMMERCE REDEVELOPMENT
2535 Commerce Way
Commerce, CA 90040

Email: alexh@ci.commerce.ca.us

May 30, 2012

RE: PROPOSAL FOR APPRAISAL SERVICES FOR THE PROPERTY(S):

SOUTHEAST CORNER OF WASHINGTON BLVD. AND HEPWORTH AVENUE,
COMMERCE, CA 90040 APN: 5244-033-900; 19,824± SQ..FT.

AT YOUR REQUEST, I HAVE ESTIMATED THE COSTS TO APPRAISE THE ABOVE MENTIONED PROPERTY TO BE \$2,000. THE FEE IS PAYABLE \$1,000 IN ADVANCE AND THE BALANCE OF \$1,000 AT COMPLETION, PRIOR TO RELEASE OF APPRAISAL. PLEASE MAKE CHECKS PAYABLE TO DMD APPRAISALS AT 555 SOUTH BRAND BLVD., SAN FERNANDO, CALIFORNIA 91340.

INTERESTS APPRAISED: Fee Simple (Land Only)

PREPARATION TIME: 2-4 weeks; following receipt of Signed Contract and payment

PURPOSE OF APPRAISAL: Long Range Planning

INSTRUCTIONS: WE WILL NEED, IF AVAILABLE: PRELIMINARY TITLE REPORT, COPIES OF ANY OLD APPRAISALS, COPIES OF LEASES, ETC...

FOR YOUR INFORMATION: ALL APPRAISALS ARE PREMISED UPON CERTAIN GENERAL & SPECIFIC ASSUMPTIONS. SO THAT YOU ARE INFORMED AS TO THE ANTICIPATED LIMITING CONDITIONS UPON WHICH WE WILL BASE THIS APPRAISAL, WE HAVE ATTACHED A COPY OF THESE ASSUMPTIONS AND CONDITIONS WHICH ARE TO BE CONSIDERED A PART OF THIS CONTRACT. IF FOR YOUR APPRAISAL THESE REQUIRE AMENDMENT, YOU WILL BE NOTIFIED. AT COMPLETION OF REPORTS, YOU WILL RECEIVE TWO BOUND COPIES MAILED, AND/OR ELECTRONIC COPY.

PLEASE SIGN AND RETURN THE ORIGINAL OF THIS LETTER CONTRACT. THANK YOU FOR CONSIDERING US FOR THIS ASSIGNMENT.

DMD APPRAISALS, INC.

Dale

Donerkie

|

Digitally signed by Dale
Donerkiel
DN: cn=Dale Donerkiel,
o, ou=AG002740,
email=dmdincorp@aol.c
om, c=US
Date: 2012.05.31
13:07:52 -07'00'

Signature _____

Client/Print _____

Date _____

STATEMENT OF LIMITING CONDITIONS

The following statements, assumptions, and considerations are offered as a basis for this particular appraisal report:

Factual information presented in this report has been furnished by or obtained from sources which were considered reliable. While the data is believed to be correct, it cannot be guaranteed.

It is assumed that the legal description and title are good and marketable for this ownership. No examination of title was made or requested as a part of this appraisal.

No land survey was made by the appraiser. While the dimensions and areas shown and/or referred to herein are assumed to be correct, property boundaries and locations of any improvements as indicated on exhibits in this report are not to be construed as being based upon a survey for which the appraiser is responsible.

Market Value of the property is defined as the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

Real Property Only: This appraisal is of real property only as determined by the appraiser from a physical inspection of the premises. All personal property, including furnishings not normally considered part of the real property, have not been included.

Use of Report: This report is made for the exclusive use of the client as addressed in the letter of transmittal.

It is respectfully requested that no reproduction of this report or any portion thereof be undertaken without the consent of the appraiser. Possession of this report does not carry the right of publication.

This appraisal has been made in conformity with the **Uniform Standards of Professional Appraisal Practice (USPAP) and Code of Professional Ethics** of The Appraisal Institute, of which we are members.

Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of The Appraisal Institute.

Licenses, Certificate of Occupancy: The property will be appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.

Liability: The liability of DMD Appraisals, Inc. and the appraiser is responsible for this report is limited to the client only and to the fee actually received by the appraiser. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussion. The appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially and/or legally.

The Appraiser: No one other than the appraiser(s) signing this report has prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal.

The value premises cited are foundational and basic to the values reported herein, and the right is reserved to revise and/or rescind the appraisal opinions in the event the conditions are modified to any extent.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials, may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Testimony or attendance in Court is not required by reason of this appraisal with reference to the property in question. If court testimony is required, our fees for preparation and court time are based upon \$250 an hour, minimum 5 hours to be paid in advance. Any added court time over 5 hours will be invoiced at the rate of \$250 an hour and will include driving time to and from court as well as pre-trial preparation time. All fees are due and payable upon presentation of the invoice.

The interest appraised is the Fee Simple Interest. The date of value is the date of inspection.



AGENDA REPORT

DATE: June 5, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AN AGREEMENT BETWEEN THE CITY OF COMMERCE; FAIRBANK, MASLIN, MAULLIN, METZ & ASSOCIATES AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES FOR POLLING SERVICES

RECOMMENDATION:

Approve the Resolution and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND:

On March 6, 2012, the City Council of the City of Commerce (the "City") established the Blue Ribbon Committee (the "Committee"). The Committee has nine members who represent the Commerce residents, City employees and City businesses. The Committee was tasked with investigating potential revenue sources that may help the City address current and future budget issues brought on by the termination of redevelopment in the state and the general decline in the economy. The Committee will provide their recommendations to the City Council, who will then consider whether to accept some or all of their recommendations.

On May 8, 2012, the Committee held its first meeting. The Committee addressed various preliminary procedural issues and also began discussion of substantive issues. The Committee determined that it would be very helpful if they had a better idea about the opinions of the City's residents and businesses in connection with potential revenue generating measures and program issues. The Committee discussed the possibility of hiring a polling company that could conduct a poll in the City and help obtain information that would prove to be helpful to the Committee in formulating recommendations to the City Council, and for the City Council in considering such recommendations. The City employee representatives on the Committee advised that the American Federation of State, County and Municipal Employees ("AFSCME"), who represent the employees in the City, would agree to split the cost for such polling services with the City.

On May 15, 2012, the Committee reported to the City Council their recommendation of the retention of a polling firm. The City Council directed staff to investigate the matter further with the Committee members and obtain information about a recommended polling firm and the cost of such services.

On May 22, 2012, the Committee received a presentation from the Fairbank, Maslin, Maullin, Metz & Associates ("Fairbank") in connection with the subject polling services. Fairbank has provided polling services for various cities throughout the state and serves as the League of California Cities' primary research firm. Fairbank explained the manner in which the polling services would be provided and the cost for such services. A representative from AFSCME also attended the meeting and confirmed that AFSCME would agree to share the cost of the services with the City. The Committee voted to

approve a recommendation that the City approve an agreement with Fairbank for polling services, in an amount not to exceed Twenty Five Thousand Dollars (\$25,000), with AFSCME and the City agreeing to each pay one-half (up to \$12,500) for the services.

On May 23, 2012, during its consideration of the City's budget, the City Council was advised of the Committee's recommendation and received a presentation from Fairbank. The City Council decided to appropriate an amount of Twelve Thousand Five Hundred Dollars (\$12,500) for such polling services and directed staff to prepare an agreement between the City, Fairbank and AFSCME for consideration at the next regular City Council meeting.

ANALYSIS:

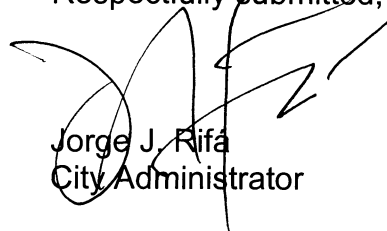
Fairbank proposes to conduct polling of 400 randomly selected City residents to effectively assess the best option for the City to raise additional revenue. Fairbank will work closely with City staff and the Committee to prepare a questionnaire. Following Fairbank's preparation of the questionnaire, Fairbank will present a draft of the questionnaire to City staff for review and comment. Once, the questionnaire is finalized Fairbank will conduct a 15-20 minute interview with 400 randomly selected City residents to determine the current political and economic climate of the City.

The cost for Fairbank's polling services will not exceed Twenty Five Thousand Dollars (\$25,000.00). The proposed agreement between the City, Fairbank and AFSCME sets forth the services to be provided by Fairbank, the total cost for the services and the agreement by the City and AFSCME to each pay one-half of the total cost.

FISCAL IMPACT:

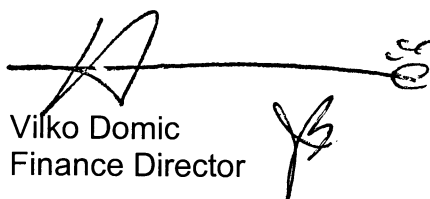
The cost for the polling services will not exceed Twenty Five Thousand Dollars (\$25,000). The City will pay one-half of the total; an amount not to exceed Twelve Thousand Five Hundred Dollars (\$12,500).

Respectfully submitted,



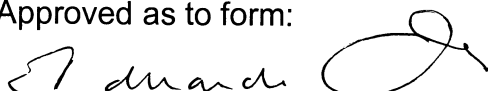
Jorge J. Rifa
City Administrator

Reviewed by,



Vilko Domic
Finance Director

Approved as to form:



Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA,
APPROVING AN AGREEMENT BETWEEN THE CITY OF COMMERCE; FAIRBANK,
MASLIN, MAULLIN, METZ & ASSOCIATES AND THE AMERICAN FEDERATION OF
STATE, COUNTY AND MUNICIPAL EMPLOYEES FOR POLLING SERVICES

WHEREAS, on March 6, 2012, the City Council of the City of Commerce (the "City") established the Blue Ribbon Committee (the "Committee"). The Committee has nine members who represent the Commerce residents, City employees and City businesses; and

WHEREAS, the Committee was tasked with investigating potential revenue sources that may help the City address current and future budget issues brought on by the termination of redevelopment in the state and by the general decline in the economy; and

WHEREAS, on May 15, 2012, the Committee reported to the City Council their recommendation that the City retain a polling firm that could conduct polling in the City and obtain information about the opinions of the City's residents and businesses in connection with potential revenue generating measures and/program funding issues; and

WHEREAS, on May 23, 2012, the City Council received a presentation from the Fairbank, Maslin, Maullin, Metz & Associates ("Fairbank") in connection with the subject polling services. Fairbank has provided polling services for various cities throughout the state and serves as the League of California Cities' primary research firm. Fairbank advised that the cost for the polling services would be in an amount not to exceed Twenty Five Thousand Dollars (\$25,000); and

WHEREAS, the City employees' representative, the American Federation of State, County and Municipal Employees ("AFSCME"), has advised that it will agree to split the cost for such polling services with the City. AFSCME will pay one-half of the cost, up to Twelve Thousand Five Hundred Dollars (\$12,500), for the polling services; and

WHEREAS, on May 23, 2012, during its consideration of the City's budget, the City Council appropriated an amount of Twelve Thousand Five Hundred Dollars (\$12,500) for such polling services and directed staff to prepare an agreement between the City, Fairbank and AFSCME for consideration at the next regular City Council meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE AS FOLLOWS:

SECTION 1: The Agreement between the City of Commerce, Fairbank, Maslin, Maullin, Metz & Associates and the American Federation of State, County and Municipal Employees for Polling Services is hereby approved.

SECTION 2: The Mayor is hereby authorized to execute the Agreement for and on behalf of the City of Commerce.

SECTION 3: The City Clerk shall certify to the passage of this resolution, and thereupon and thereafter the same shall be in full force and effect.

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

Lilia R. Leon, Mayor

ATTEST:

Linda Kay Olivieri, City Clerk

THIS AGREEMENT (the “Agreement”) dated as of June ____, 2012(the “Effective Date”) is made by and between the City of Commerce, a municipal corporation (the “City”) and Fairbank, Maslin, Maullin, Metz & Associates (“Consultant”) and the American Federation of State, County and Municipal Employees (“AFSCME”).

RECITALS

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

WHEREAS, Consultant is willing to render such Services, as hereinafter defined, on the terms and conditionsset forth below.

WHEREAS, pursuant to the request of the Blue Ribbon Committee established by the City Council for the City of Commerce, AFSCME has agreed to pay one half of the costs of the Services to be performed by Consultant in accordance with this Agreement.

AGREEMENT

1. Scope of Services and Schedule of Performance.

Consultant 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 Section18 hereof, the term of this Agreement shall be for a period commencing on the Effective Date until the completion by Consultant of all the Services, to the satisfaction of the City.

3. Compensation.

AFSCME has agreed to pay one-half of the fees for the Services. The City has agreed to pay the other half of the cost of the Services. So long as Consultant is discharging its obligations in conformance with the terms of this Agreement, Consultant shall be paid a fee by the City and AFSCME, in the proportionate amounts agreed to herein, 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. Consultant shall send and address its bill for fees, expenses, and costs to the City to the attention of the City Administrator and to AFSCME to the attention of the **Internal/External Organizer ***. The City and AFSCME shall pay the full amount of such invoice; provided, however, that if the City or AFSCMEobject to any portion of an invoice, the City or AFSCME shall notify Consultant of theobjection 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. Consultant understands that the City and AFSCME shall only be responsible for one-half of the costs for the Services, and that they shall not be individually responsible for payment to Consultant beyond their one-half share.

4. 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. 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 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.

Consultant is and shall perform its services under this Agreement as a wholly independent contractor. Consultant shall not act nor be deemed an agent, employee, officer or legal representative of the City. 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 the City. Consultant 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 Consultant. None of the foregoing shall affect any privilege or protection against disclosure which applies to the services Consultant undertakes under this Agreement.

6. 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 the City.

All labor, materials, fees and costs of such identified subcontractors shall be paid exclusively by Consultant. No subcontractors may be substituted for any of the identified subcontractors except with the prior written approval of the City.

7. Responsible Principal and Project Manager.

Consultant shall have a Responsible Principal and a Project Manager who shall be principally responsible for Consultant obligations under this Agreement and who shall serve as principal liaison between the City and Consultant. Designation of another Responsible Principal or Project Manager by Consultant shall not be made without the prior written consent of the City.

8. City Liaison.

Consultant 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.

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, by all applicable regulating governmental agencies, and are in good standing with such applicable regulating governmental agencies.

10. Compliance with Laws.

Consultant 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.

11. Warranty and Liability.

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. Consultant shall be liable for injury or loss caused by the negligence of, or breach of this warranty by Consultant, its employees, its subcontractors, if any, and/or its agents hereunder. This warranty survives the completion and/or termination of this Agreement.

12. Indemnification.

Consultant shall indemnify and hold the City, its respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses the City and its 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 subcontractors or its agents in the performance of the Services hereunder. Consultant 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, 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.

13. 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(collectively, "Products") shall become the sole property of the City and the City shall have authority to publish, disclose, distribute, use, reuse or dispose of the Products in whole or in part, without the permission of Consultant. In the event that this Agreement is terminated by the City, Consultant shall provide the 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.

14. 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 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 Consultant, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

15. 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 (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 Consultant, who has a conflict relating to the City or the performance of Services on behalf of the City.

16. Other Agreements.

Consultant warrants that it 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.

17. 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 Consultant pursuant to Section 22 of this Agreement.

Upon receipt of a notice of termination, Consultant shall immediately cease all work and

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

18. 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 Consultant to satisfy a term, condition or covenant in no way waives that term or any remedies available for its breach.

19. Assignment.

Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by Consultant, nor shall this Agreement inure to the benefit of any trustee in bankruptcy, receiver, or creditor or Consultant, 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.

20. 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.

21. 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.

22. 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 AFSCME:

AFSCME
514 Shatto Place
3rd Floor
Los Angeles, California 90020
Attn: *

For Consultant:

Fairbank, Maslin, Maullin, Metz & Associates
2425 Colorado Avenue, Suite 180
Santa Monica, CA 90404
Attn: John Fairbank

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.

23. 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.

24. 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.

25. 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.

26. 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 the City, Consultant and AFSCME.

27. 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.

28. 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: ____, 2012

By: _____
Lilia R. Leon, Mayor

ATTEST:

Linda K. Olivieri, City Clerk

APPROVED AS TO FORM:

Eduardo Olivo, City Attorney

AFSCME

DATED: ____, 2012

By: _____
Jose G. Sanchez, Internal/External Organizer

CONSULTANT

DATED: ____, 2012

By: _____
Name: _____
Title: President

EXHIBIT A



AGENDA REPORT

MEETING DATE: June 5, 2012

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: SENIOR RENT SUBSIDY PROGRAM AUDIT UPDATE

RECOMMENDATION:

- 1) The City Council will receive and file the audit report pertaining to the Senior Rent Subsidy Program, and
- 2) Provide direction to staff to prepare the appropriate documents for continuation of the program for one year.

MOTION:

Move to approve the recommendation and provide direction as deemed necessary.

BACKGROUND:

The City's Senior Rent Subsidy Program was been in effect since the mid 1980's. The program was approved by the Commerce Community Development Commission and was funded with Redevelopment Housing Set-Aside funds.

As part of the 2011-12 State budget bill, the California Legislature enacted and the Governor signed companion bills, Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27"), requiring that each redevelopment agency in the State be dissolved as of October 1, 2011. After AB 26 and AB 27 were enacted, the League of California Cities, the California Redevelopment Association and the cities of San Jose and Union City filed a petition with the California Supreme Court, entitled *California Redevelopment Association, et al. v. Matosantos, et al.* Case No. S194861, challenging the constitutionality of AB 26 and AB 27. On December 29, 2011, the Supreme Court upheld the constitutionality of AB 26, but determined that AB 27 was unconstitutional. Pursuant to AB 26 (*Health & Safety Code* § 34172(a) (1)) and the Supreme Court's decision, redevelopment agencies were terminated effective February 1, 2012. Thus, funding for various redevelopment programs, including the Senior Rent Subsidy Program, has been eliminated.

On April 3, 2012, the City Council reviewed several options which included terminating the Program, effective April 30 or June 30, 2012; or continuing the program and recommending that the Oversight Board approve funding for the program as part of the Recognized Obligation Payment Schedule ("ROPS") as a debt/obligation of the new Successor Agency. The Council decided to postpone the decision until City Staff conducted an audit of all the participants.

ANALYSIS:

Requirements for participation in the program are as follows: lower-income status must be at least eighty-percent (80%) of the County Area Median Income, of senior age and/or be disabled, proof of income sources, provide proof of income sources, household size, unit size and monthly rent. A three-year residency requirement must be fulfilled prior to receiving subsidies and the applicant is not allowed to be receiving Section 8 or other sources of housing subsidies.

There are a total of 38 Senior Households participating in the program. Twenty-nine of the households are at the extremely low-income level. Eight are very-low and one is at the lower-income level.

The Community Services Department staff was directed to conduct an audit of the participants to verify that they all meet the established guidelines and to inquire if they

are able to pay their full rent without the assistance of the Rent Subsidy Program (\$200 per month). As part of the audit, the Social Services Division staff interviewed the thirty seven (37) participants. The following is the interview results:

- All participants stated that it would be a financial hardship for them to not receive the monthly assistance. However, some stated that they would be able to pay their rent with \$100 monthly assistance, if \$200 is no longer an option.
- Many of the participants stated that they do not want to become a burden to their families.
- Some stated that their reason for staying in Commerce is due to medical issues (i.e. their doctor's are in close proximity), and/or rent is higher in other cities.
- One participant does not meet the requirements. She rents a back house from a family member. This arrangement does not qualify under the program.

Social Services staff also conducted an audit of the program in order to update verifiable household income and rental information. The audit revealed that all of the participants, except the one referenced above, meet the requirement so the Program and will suffer hardship if the rent subsidy is abruptly ended.

The City Attorney has advised that the City will need to adopt a new program if it desires to continue providing the rent subsidy program. The City has faced budget deficits over the course of the last several years and continues to be faced with a variety of challenges as a result of the termination of redevelopment. The City Attorney has advised that, due to the abrupt and unexpected elimination of the funding source for the Program, the City has a proper justification for providing a transition for the participants by approving another temporary rent subsidy program. However, in order to avoid various legal concerns, such a program should have a definite and limited term.

FISCAL IMPACT:

The fiscal impact will not be known until the Council makes a decision regarding the continuation of the Program. The current cost of the Program is \$90,000 per year.

NEXT STEPS:

After receiving City Council direction on how to proceed, City staff will act accordingly and prepare the necessary documents, if required, for City Council to formally approve.

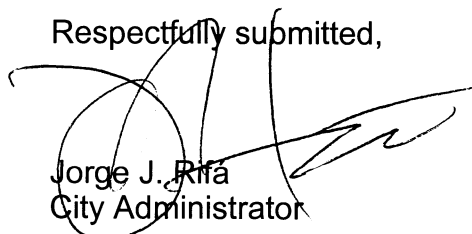
RELATIONSHIP TO 2009 STRATEGIC GOALS:

The proposed Senior Rent Subsidy Program activities are consistent with goals and objectives to alleviate physical blight and enhance the Quality of Life in the City of Commerce.

Recommended by:


Loretta Gutierrez
Interim Director of Safety &
Community Services

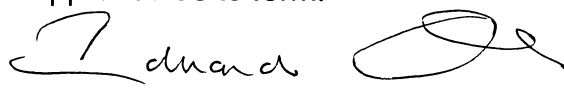
Respectfully submitted,


Jorge J. Rifa
City Administrator

Reviewed by:


Vilko Domic
Director of Finance

Approved as to form:


Eduardo Olivo
City Attorney



AGENDA REPORT

MEETING DATE: June 5, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: CUSTOMER SERVICE RECOGNITION – EMPLOYEE OF THE QUARTER PARKING ASSIGNMENT

RECOMMENDATION:

As requested by Mayor Leon, the City Council will consider for approval the design of the proposed customer service recognition parking sign.

MOTION:

Move to approve recommendation.

BACKGROUND:

At the request of Mayor Leon, the City Council will consider for approval the design of the proposed customer service recognition parking sign. The sign will be displayed at corresponding buildings in recognition of the Employee of the Quarter.

ANALYSIS:

The sign uses both the City's traditional green and logo. The estimated cost for one sign is \$21.00 plus tax. Staff is recommending the purchase of 2 signs, in the event the first sign is damaged or vandalized while on display or being transported from one City building to another as different employees are recognized each quarter.

Additional supplies will be necessary, such as pole, screws, pole anchors, etc. Also, pole anchors and base will need to be set in the ground (either concrete or soil depending on location). As there are 14 city buildings where pole anchors and bases will need to be set, staff has estimated that the total cost for implementation would be approximately \$2,300.00, including tax. The buildings identified are as follows:

- | | |
|-------------------------|---|
| 1. Atlantic Library | 8. Provisor Building |
| 2. Bandini Park | 9. Public Services Shop (Old Sheila Fire Station) |
| 3. Bristow Library/Park | 10. Rosewood/Aquatorium Comm. Center |
| 4. Camp Commerce | 11. Senior Citizens Center |
| 5. Central Library | 12. Teen Center |
| 6. City Hall | 13. Transportation Services Center |
| 7. Greenwood Library | 14. Veteran's Memorial Park |

FISCAL IMPACT:

This activity can be carried out without significant impact on the current maintenance and operating budget, as funds for sign installation and maintenance have been allocated in the Community Development – Public Services Maintenance and Operations Budget.

RELATIONSHIP TO 2009 STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: *"Ensure the City will have a Trained, Quality Workforce to Efficiently Provide Services to City of Commerce Residents for the Future."* Although, there are no specific objectives connected to this issue, employee recognition programs have a significant impact in attracting and retaining a well-trained and quality workforce.

Respectfully submitted,


Jorge Rifa
City Administrator


Recommended by:


Teresa McAllister
Human Resources Director

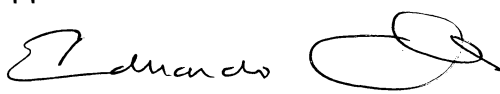
Recommended and Prepared by:


Danilo Batson
Assistant Director of Public Services

Reviewed by:


Vilko Domic
Director of Finance

Approved as to form:


Eduardo Olivo
City Attorney

CITY OF COMMERCE
**EMPLOYEE
OF THE
MONTH**



**RESERVED
PARKING**

CITY OF COMMERCE
**EMPLOYEE
OF THE
QUARTER**



**RESERVED
PARKING**



AGENDA REPORT

MEETING DATE: June 5, 2012

TO: Honorable City Council

FROM: City Administrator

SUBJECT: INSTALLATION OF DECORATIVE WALL AT FRONT OF CITY HALL COMPLEX

RECOMMENDATION:

At the request by Councilmember Altamirano, the City Council will consider for approval a proposed decorative wall at the front entrance area of the City Hall complex.

MOTION:

Council discretion.

BACKGROUND:

This item was continued from the meeting of April 3, 2012, at the request of Councilmember Altamirano.

Councilmember Altamirano has expressed an interest to have a decorative wall built near the City Hall entrance area. The decorative rock formation wall would include a waterfall feature that would in essence symbolize the abundance of what the City has to offer to its residents, business community and the world.

FISCAL IMPACT:

City staff estimates between \$200,000 to \$250,000 for the design and construction of this decorative wall, and \$20,000 for the operation and management (O&M) of the wall. The estimate leaves the steel beams in place, for they may be seismic retrofit measures.

Councilmember Altamirano is committed to raise the necessary funds for the entire cost of the project. It is the Councilmember's hope to personally seek private corporate funding to make this decorative wall project a reality.

STRATEGIC PLAN SIGNIFICANCE:

This agenda item report has no specific objective related to this recommendation; however, it is connected to the City's interest to protect and enhance the quality of life of the community.

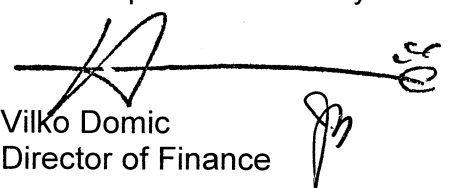
Prepared by:


Fernando Mendoza
Deputy City Administrator

Respectfully submitted,

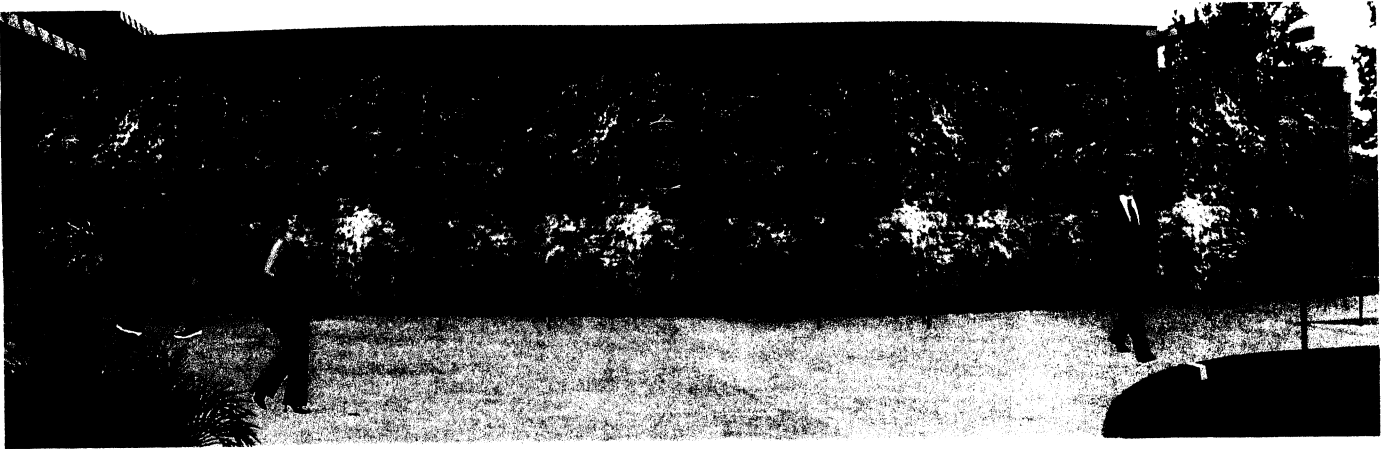

Jorge J. Rifa
City Administrator

Fiscal impact reviewed by:


Vilko Domic
Director of Finance

Approved As To Form:


Eduardo Olivo
City Attorney





AGENDA REPORT

Meeting Date: 06/05/2012

TO: Honorable City Council

FROM: City Administrator

SUBJECT: Blue Ribbon Advisory Panel Status Report

RECOMMENDATION:

Receive and file the report and provide direction as deemed appropriate.

MOTION:

Council discretion.

BACKGROUND:

At its March 6, 2012, meeting, the Council directed the formation of a Blue Ribbon Advisory Panel to be tasked with examining and recommending new revenue sources, outside the scope give the first Panel in 2010, to assist with the projected \$3.5 million revenue shortfall in fiscal year 2012-2013.

At its March 20, 2012, meeting, the Council approved the "Working Blueprint" that will guide both the Panel and staff through the advisory process.

ANALYSIS:

The Blue Ribbon Advisory Panel held its first meeting on Tuesday, May 8, 2012.

The City Council will receive a status report on the progress made to date by the Blue Ribbon Advisory Panel and provide direction as it deems appropriate.

FISCAL IMPACT:

This matter can be carried out without further impact on the current operating budget.

RELATIONSHIP TO 2012 STRATEGIC GOALS:

This item is associated with the Council's goal of growing revenues to ensure all expenses are being met so the City can remain fiscally responsible and continue to provide services to the residents.

Prepared by:

Linda Kay Olivieri
City Clerk

Respectfully submitted,

Jorge J. Rifá
City Administrator

Fiscal impact reviewed by:

Vilko Domic
Director of Finance

Reviewed as to form:

Eduardo Olivo
City Attorney

SUM (BLUE RIBBON ADVISORY PANEL STATUS REPORT) – 06-06-2012.DOC



AGENDA REPORT

DATE: June 5, 2012

TO: Honorable City Council
FROM: City Administrator
SUBJECT: Commission Appointment

RECOMMENDATION:

Make the appropriate appointments.

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 member and Council member of the applicable Commission and Committees.

ANALYSIS:

It is recommended that appointments be made to the following Commissions and Committees at this time, with all terms to expire March 19, 2013, unless otherwise indicated:

Community Services Commission

Councilmember Altamirano

FISCAL IMPACT:

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

Recommended by:

Linda Kay Olwieri
City Clerk

Respectfully submitted,

Jorge J. Rifá
City Administrator

Prepared by:

Victoria M. Alexander
Deputy City Clerk



AGENDA REPORT

MEETING DATE: June 5, 2012

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL CITY OF COMMERCE

RECOMMENDATION:

That the City Council approve and adopt:

- 1) The Resolution of Intention and assign the next number in order
- 2) Related certification of compliance

MOTION:

Move to approve the recommendation.

BACKGROUND:

The City and the City of Commerce Employee Association (CCEA) concluded labor negotiations on July 21, 2011 regarding wages, benefits and working conditions for the 2011/2012 Memorandum of Understanding. On August 11, 2011, members of the Full-time Unit voted to ratify a new one year contract for 2011/12.

On November 1, 2011 the City Council approved changes to benefits and contract language incorporated in a tentative agreement with CCEA. One of these changes was that the City shall implement a Pre-Retirement Optional Settlement 2W Death Benefit.

ANALYSIS:

Pre-Retirement Optional Settlement 2W Death Benefit is for full-time vested employees age 50 and above. The benefit allows the spouse or domestic partner of a deceased member who was eligible for service at the time of death to receive the Pre-Retirement Option 2W Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Option 2W, the highest monthly allowance a member can leave a spouse or domestic partner.

Government Code Section 7507 requires that the future annual costs or benefit change of the proposed contract be made public at a public meeting at least two weeks prior to the adoption of the final ordinance.

Disclosure of the cost of this Contract Amendment

- | | |
|--|-----------|
| 1) Change in the Present Value of Benefits | \$350,225 |
| 2) Change in the Accrued Liability | \$253,820 |
| 3) Change in the Total Employer Rate | 0.297% |

Resolution of Intention California Public Employees' Retirement System Contract
Amendment

June 5, 2012

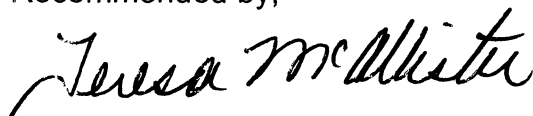
Page 2

Government Code Section 20471 requires a 20 day period between the adoption of the Resolution of Intention and the adoption of the final Ordinance. There are no exceptions to this law.

BUDGET IMPACT:

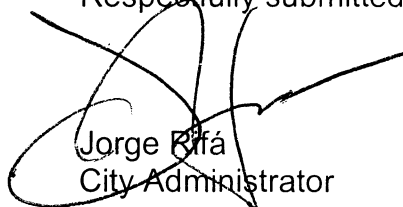
The anticipated cost related to the implementation of a CalPERS Pre-Retirement Optional Settlement Death Benefit is estimated to be \$30,000 per year and has been included in the 2012-13 base line budget.

Recommended by,



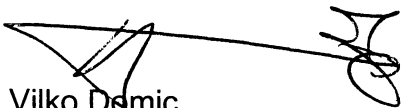
Teresa McAllister
Director of Human Resources

Respectfully submitted,



Jorge Rifa
City Administrator

Budget Impact Reviewed by:



Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney

Attachments: Resolution of Intention and Exhibit: CalPERS Amendment to Contract
Certification of Governing Body's Action

RESOLUTION NO. _____

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL CITY OF COMMERCE

WHEREAS, the City of Commerce and the full-time employees including, management, City Council members, City Administrator and City Clerk (local miscellaneous members) have completed dialogue regarding revisions to the benefits for fiscal year 2011-2012; and

WHEREAS, the City Council approved the request to implement a CalPERS Pre-Retirement Optional Death Benefit; and

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend the contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 21548 (Pre-Retirement Option 2W Death benefit) for local miscellaneous members.

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

Section 1. The City of Commerce City Council does hereby give notice of intention to approve an amendment to the contract between the City of Commerce and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

Section 2. This Resolution of Intention shall take full force and effect immediately upon adoption by the City Council.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2012, at Commerce, California.

Lilia R. Leon, Mayor

ATTEST:

Linda Kay Olivieri, MMC
City Clerk



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Commerce

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective February 1, 1962, and witnessed December 13, 1961, and as amended effective February 16, 1973, June 16, 1973, July 21, 1980, January 3, 1983 and August 8, 1991 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 11 are hereby stricken from said contract as executed effective August 8, 1991, and hereby replaced by the following paragraphs numbered 1 through 12 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after February 1, 1962 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. **Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:**
 - (a) **Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.**
 - (b) **Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.**
 - (c) **Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.**
 - (d) **Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.**
 - (e) **Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.**
 - (f) **The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.**
 - (g) **Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.**

4. **Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:**
 - a. **Employees other than local safety members (herein referred to as local miscellaneous members).**

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **SAFETY EMPLOYEES; AND**
 - b. **PERSONS COMPENSATED ON AN HOURLY BASIS.**
6. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 supplemental to Federal Social Security).
7. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21222.1 (Special 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
 - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance).
 - c. Section 20042 (One-Year Final Compensation).
 - d. Section 20965 (Credit for Unused Sick Leave).
 - e. Section 21548 (Pre-Retirement Option 2W Death Benefit).
8. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on July 21, 1980. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
9. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.
10. Public Agency shall also contribute to said Retirement System as follows:
 - a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

- 11. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
- 12. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF COMMERCE

BY _____
KAREN DE FRANK, CHIEF
CUSTOMER ACCOUNT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Actuarial and Employer Services Branch

Public Agency Contract Services

P.O. Box 942709

Sacramento, CA 94229-2709

(888) CalPERS (225-7377)

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

_____ of the
(governing body)

(public agency)

on _____
(date)

Clerk/Secretary

Title

