



Tuesday, July 1, 2014 - 5:00 PM

Agenda

**CONCURRENT ADJOURNED REGULAR MEETINGS OF
THE CITY COUNCIL OF THE CITY OF COMMERCE, JOINT POWERS FINANCING
AUTHORITY AND THE GOVERNING BODY OF THE SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION
(HEREINAFTER "SUCCESSOR AGENCY")**

5:00 P.M. CLOSED SESSION

CALL TO ORDER

Mayor/Chairperson Baca Del Rio

ROLL CALL

City Clerk Shumway

PUBLIC COMMENT ON CLOSED SESSION ITEMS

Citizens wishing to address the City Council and Successor Agency on any item on the Closed Session agenda may do so 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 limit your remarks to five (5) minutes.

RECESS TO CLOSED SESSION

1. Pursuant to Government Code §54956.9(b), the City Council will confer with its legal counsel, and take the appropriate action with respect to, significant exposure to litigation in three potential cases.

RECONVENE TO OPEN SESSION

ORAL CLOSED SESSION ANNOUNCEMENT

6:30 P.M. - CITY COUNCIL MEETING

CALL TO ORDER

Mayor/Chairperson Baca Del Rio

PLEDGE OF ALLEGIANCE

Human Resources Director Casalou

INVOCATION

Mayor Pro Tem Leon

APPEARANCES AND PRESENTATIONS

2. Commendations - Honoring Los Angeles County Sheriff Captain James Wolak, Sergeant Richard Hailey, and Deputy Daniel Cabrera

Attachments: [Staff Report - Commendations - Capt Wolak - Sgt Hailey - Deputy Cabrera](#)

3. Fourth Annual Commerce Clean Up Sponsored by the Citadel Outlets/Craig Realty

The City Council will receive a presentation from Citadel Outlets Marketing Director Markel announcing the Fourth Annual Commerce Clean Up, sponsored by the Citadel Outlets/Craig Realty.

Attachments: [Staff Report- Commerce Clean Up](#)

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. State law (Government Code Section 54950 et seq.) prohibits the City Council from taking action or engaging in discussion on a specific item unless it appears on a posted agenda. Upon request, the City Council may, in their discretion, allow citizen participation on a specific item on the agenda at the time the item is considered by the City Council. If you wish to address the City Council/Successor Agency at this time, please complete a speaker's card and give it to the City Clerk prior to commencement of the City Council meeting. Please limit your remarks to five (5) minutes.

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.

CONSENT CALENDAR

Items under the Consent Calendar are considered to be routine and may be enacted by one motion. There will be no discussion of these items unless members of the Public or City Council request specific items to be removed from the Consent Agenda for a separate discussion. If the item is desired to be discussed separately, it should be the first item under Scheduled Matters.

4. Approval of Minutes

The City Council and Successor Agency will consider for approval the minutes of the Concurrent Adjourned Regular Meeting of Tuesday, June 10, 2014, held at 5:00 p.m.; Concurrent Adjourned Regular Meeting of Tuesday, June 17, 2014, held at 5:00 p.m.; and Special City Council Meeting of Tuesday, June 17, 2014, held at 3:30 p.m.

Attachments: [2014-06-10 CC Minutes](#)
 [2014-06-17 CC Minutes](#)
 [2014-06-17 CC Minutes -Special](#)

5. Approval of Warrant Register Nos. 23A and 23B

The City Council and Successor Agency will consider for approval the bills and claims set forth in Warrant Registers No. 23A, dated July 1, 2014, and 23B for the period of June 18, 2014 to June 25, 2014.

Attachments: [23 A 2014](#)
 [23 B 2014](#)

6. Los Angeles County Economic Development Corporation 2014 Eddy Awards

The City Council will receive and file and/or make appropriate action as deemed necessary regarding a City's application for Los Angeles County Economic Development Corporation 2014 Eddy Awards (Most Business Friendly City).

Attachments: [Staff Report- 2014 Eddy Awards](#)

7. Environmental Procurement Policy

The City Council will consider for adoption a Resolution approving Environmental Procurement Policy effective July 1, 2014

Attachments: [Agenda Report - Environmental Procurement Policy - 7-1-14](#)
 [Resolution - Environmental Procurement Policy](#)
 [Environmental Procurement Policy](#)

8. Agreement with International Institute of Los Angeles to Participate in the Immediate Needs Transportation Program

The City Council will consider for adoption a Resolution approving an Agreement with International Institute of Los Angeles to participate in the Immediate Needs Transportation Program.

Attachments: [Staff Report - Agreement with Intl Institute LA Tokens](#)
[Resolution - IILA Immed Needs Transp Prog 2014](#)
[IILA Tokens Agency Register 2014](#)

9. Amendment to Measure R And Proposition C Funding Agreement for the Washington Boulevard Widening and Reconstruction Project

The City Council will consider for adoption a Resolution amending and restating Measure R And Proposition C Funding Agreement for the Washington Boulevard Widening And Reconstruction Project.

Attachments: [Staff Report -Metro Funding Agreement Amendment \(3\)](#)
[Resolution - Metro Funding Agreement Amendment](#)
[MTA Funding Agreement](#)

10 A Resolution Approving an Agreement with County of Los Angeles Department of Animal Care and Control for Fiscal Year 2014-15

The City Council will consider for approval an Agreement with County of Los Angeles Department of Animal Care and Control, and Fiscal Year 2014-2015 service level request

Attachments: [Staff Report - 2014-15 Agreement for Animal Control](#)
[Resolution Animal Control Agreement and Service Level Request 2014-15](#)
[Agreement and Service Level Request - Animal Control](#)

11. Retainer Agreement with the Law Offices of Burhenn and Gest Regarding State Mandates Imposed By The 2012 Los Angeles County Municipal Stormwater Permit

The City Council will consider for adoption a Resolution approving a Retainer Agreement with the Law Offices of Burhenn & Gest regarding State Mandates imposed by the 2012 Los Angeles County Municipal Stormwater Permit

Attachments: [Staff Report - Retainer Agreement](#)

12 Approval of a Professional Services Agreement with Pumpman Inc. for Storm Drain Maintenance

The City Council will consider for adoption a Resolution approving a Professional Services Agreement with Pumpman Inc. to perform storm drain pump station maintenance, repairs and assessment at four pump station locations in the City Of Commerce.

Attachments: [Staff Report- Pump Stations - Award of Contract](#)
[Resolution Awarding PSA - Pump Stations](#)
[PumpMan Proposal for Storm Drain Maintenance](#)
[Agreement -Pumpman](#)

PUBLIC HEARING - ORDINANCE

13 An Ordinance Adding Section 6.08 ("Donation Collection Bins") to Title 6 ("Health And Sanitation") of the Commerce Municipal Code

The City Council will consider for first reading an Ordinance adding Section 6.08 ("Donation Collection Bins") to Title 6 ("Health And Sanitation") of the Commerce Municipal Code

Attachments: [Staff report -Donation Bins](#)
[Ordinance - Donation Bins](#)

SCHEDULED MATTERS

14 Contingent Agreement to Purchase and Sell with Gatwick Group, LLC for the properties located at 4957 Sheila Street and 4800 Washington Boulevard

The Successor Agency to the Commerce Community Development Commission will consider for adoption a Resolution approving a Contingent Agreement to Purchase and Sell between the Successor Agency and Gatwick Group, LLC for the properties located at 4957 Sheila Street and 4800 Washington Boulevard Commerce, California 90040

Attachments: [Staff Report Re Gatwick PSA](#)
[Gatwick PSA Resolution](#)
[PSA Gatwick 062614](#)

15 Presentation on Community Oriented Policing Services

The City Council will receive and file and/or make appropriate action as deemed necessary regarding presentation on Community Oriented Policing Services.

Attachments: [Staff Report - Presentation on Community Policing Services](#)

16 Notice of Termination of the Government Affairs Consulting Agreement between the City of Commerce and California Consulting LLC.

City Council will consider for adoption the Resolution approving and ratifying the Notice of Termination of the Government Affairs Consulting Agreement between the City of Commerce and California Consulting LLC, which as issued by the City Administrator on July 1, 2014.

Attachments: [Staff Report Re Notice of Termination](#)
[Resolution re Termination\(2\)](#)

17 Adoption of the Annual Appropriations Limit for Fiscal Year 2014-2015

The City Council will consider for adoption a Resolution selecting the California per capita personal income price factor - 0.23 and the population growth of the City of Commerce,0.47 as the annual adjustment factors used in calculating the appropriation limit.

Attachments: [Staff Report -Appropriations Limit FY 2014-15](#)
[SR Appr Limit FY 2014-15](#)
[Resolution Appropriations Limit FY 2014-15](#)

18 Adoption of the Annual Operating Budget for Fiscal Year 2014-2015

The City Council will consider for adoption a Resolution adopting the annual operating budget for Fiscal Year 2014-2015.

Attachments: [Staff Report- FY 14-15 Adopt City Budget](#)
[Resolution - Adopt City Budget FY 2014-15](#)

19 Tree Maintenance on Private Property in the Village Residential Community

The City Council will consider for adoption a Resolution authorizing discontinuance of tree maintenance on private property in the Village Residential Community

Attachments: [Agenda Report - Village Tree Maintenance](#)
[Resolution - Village Tree Maintenance - 7-1-14](#)
[Village Tree Removal Letter - 7-2-14](#)

20 Tree Removal Policy for Private Property

The City Council will receive a presentation and direct staff as deemed appropriate regarding developing a Tree Removal Policy for Private Property

Attachments: [Tree Maintenance Policy for Private Property](#)

21 Renewal of a Professional Services Agreement for Construction Management Services with Swinerton Builders

The City Council will consider for adoption a Resolution renewing a Professional Services Agreement for construction management services with Swinerton Builders

Attachments: [Staff report- Award of Professional Services Agreement to Swinerton](#)
[Resolution - Approving Agreement with Swinerton](#)
[Swinerton Proposal](#)

22 Approval of the Sixth Amendment to the Professional Services Agreement with RBF Consulting for Design and Engineering Services for the Washington Boulevard Widening and Reconstruction Project

The City Council will consider for adoption a Resolution approving the sixth amendment to the Professional Services Agreement for design and engineering services with RBF Consulting for the Washington Boulevard Widening and Reconstruction Project.

Attachments: [Staff Report- RBF Amendment No 6](#)
[Resolution- RBF](#)
[Attachment A&B](#)

23 Review of Potential Action by City Council in Response to Refusal by Councilmember Robles to Reimburse the City for Personal Use of a City Vehicle

The City Council will receive a report and consider potential action in response to Councilmember Robles' refusal to reimburse the City for her personal use of a City vehicle.

Attachments: [Staff Report re Options Re DR Vehcile Use Issue](#)

CITY COUNCIL/SUCCESSOR AGENCY REPORTS**ADJOURNMENT**

Written materials distributed to the City Council are available for public inspection immediately following the posting of this agenda (at least 72 hours prior to a regular City Council meetings) in the City Clerk's Office, at Commerce City Hall, 2535 Commerce Way, Commerce, California, and the Centra! Library, 5655 Jillson Street, Commerce, California.

Meeting facilities are accessible to persons with disabilities. In compliance with the Americans with Disabilities Act (ADA) if you need special assistance to participate in this meeting, notify the Office of the City Clerk at (323) 722-4805 at least 24 hours prior to the meeting.



CITY OF COMMERCE AGENDA REPORT

Item No. 2

TO: Honorable City Council

FROM: City Administrator

SUBJECT: Commendations – Honoring Los Angeles County Sheriff Captain James Wolak, Sergeant Richard Hailey, and Deputy Daniel Cabrera

MEETING DATE: July 1, 2014

RECOMMENDATION:

Present the Commendations.

ANALYSIS:

The City Council will present Commendations to the following:

- L.A. County Sheriff Captain James Wolak, in recognition of his service to the City while serving as Captain of the East Los Angeles Sheriff's Station.
- L.A. County Sheriff Sergeant Richard Hailey, in recognition of his service to the City while serving as the City's Dedicated Sergeant.
- L.A. County Sheriff Deputy Daniel Cabrera, in recognition of his service to the City while serving on the Special Problems Team.

ALTERNATIVES:

- 1) Present the Commendations; or
- 2) Provide staff with further direction

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This report does not relate to a specific goal.

Recommended by: Matthew C. Rodriguez, Director of Safety and Community Services
Approved As To Form: Eduardo Olivo, City Attorney
Respectfully Submitted: Jorge Rifá, City Administrator



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. 3

FROM: City Administrator

SUBJECT: Fourth Annual Commerce Clean Up Sponsored by the Citadel Outlets/Craig Realty

MEETING DATE: JULY 1, 2014

RECOMMENDATION:

The City Council will receive a presentation from Citadel Marketing Director Traci Markel of the Citadel Outlets announcing the Fourth Annual Commerce Clean-up, sponsored by the Citadel Outlets/Craig Realty. Receive and file and provide direction as deemed appropriate.

ANALYSIS/BACKGROUND:

For the past three years, the Citadel Outlets/Craig Realty has generously donated to Commerce youth who participate in cleanup activities. This event has not only allowed the youth to participate in this worthwhile event, it has also contributed toward the beautification of this Commerce community. Participants assisted with weed removals, general trash and debris removal.

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to Council's goal of improving and beautifying infrastructure in the community.

Recommended by: Scott Wasserman, Director of Parks & Recreation

Approved as to Form: Eduardo Olivo, City Attorney

Respectfully submitted: Jorge Rifá, City Administrator

**MINUTES OF THE
CONCURRENT ADJOURNED 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")**

Tuesday, June 10, 2014 – 5:00 P.M.

The meeting was called to order on Tuesday, June 10, 2014, at 5:03 p.m., in Council Chambers, 5655 Jillson Street, Commerce, California. **Present:** Councilmembers/Board Members Altamirano, Aguilar, Robles, and Mayor Pro Tem/Vice Chair Leon (4). **Absent:** Mayor/Chairperson Baca Del Rio (1).

Staff Present: Jorge Rifá, City Administrator; Eduardo Olivo, City Attorney; and Lena Shumway, City Clerk.

SCHEDULED MATTERS

1. Presentation and Review of Proposed 2014/2015 Fiscal Year Budget

Finance Director Domic provided a presentation on the proposed budget for the Transportation Department. Discussion followed on the bus schedule brochures and the increased costs of publishing the brochures.

Mayor Pro Tem Leon asked about the recent route bus breakdowns, and discussion followed regarding the reasons why it happened. Transportation Department Director McFerguson stated that the life span for buses used for such routes is between 10 and 12 years, and that the bus that brokedown was 16 years old. Mayor Pro Tem Leon suggested implementing an annual allocation for bus replacement, instead of lump sum funding when needed.

Councilmember Robles left Council Chambers at 5:26 p.m.

Councilmember Altamirano moved, seconded by Councilmember Aguilar, to receive and file the budget presentation for the Transportation Department. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers Altamirano, Aguilar, and Mayor Pro Tem Leon (3)

NOES: None

ABSENT: Mayor Baca Del Rio and Councilmember Robles (2)

Councilmember Robles returned to Council Chambers at 5:31 p.m.

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Finance Director Domic provided a presentation on the proposed budget for the Public Works and Development Services Department. Discussion followed on the consultant and staff costs associated with the Green Zones Project, and if it was planned to reclassify the Code Enforcement Officers to full-time positions next fiscal year. Mayor Pro Tem Leon recommended that Community Services Officers collaborate more with Code Enforcement Officers. City Administrator Rifa stated that a review of the staffing, and possible reorganization, of the Public Works Department would be presented to City Council within 90 days, as well as a presentation on the final proposed budget associated with the transfer of the Maintenance Division to the Parks and Recreation Department.

Discussion took place on park maintenance and the maintenance of grounds. Mayor Pro Tem Leon asked that work be conducted on soil issues at the park, and that a report be presented to City Council at a later date.

Councilmember Altamirano moved, seconded by Councilmember Aguilar, to receive and file the budget presentation for the Public Works and Development Services Department. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers Altamirano, Aguilar, Robles, and Mayor Pro Tem Leon (4)

NOES: None

ABSENT: Mayor Baca Del Rio (1)

RECESSED TO CLOSED SESSION at 6:07 p.m.

2. Pursuant to Government Code §54957.6 the City Council will confer with its labor negotiator, Jorge Rifá, with respect to labor negotiations pertaining to the unrepresented full-time executive management employees.

RECONVENED TO OPEN SESSION at 6:22 p.m.

CLOSED SESSION ANNOUNCEMENT

City Attorney Olivo reported on Item #2 – City Council approved an increase of 4.5%, effective July 1, 2014, for full-time, non-represented management employees consistent with prior negotiations. Councilmember Aguilar moved, seconded by Councilmember Robles; the motion carried by the following vote: Ayes - Councilmembers Altamirano, Aguilar, Robles, and Mayor Pro Tem Leon (4), and Absent – Mayor Baca Del Rio (1).

ADJOURNMENT

MINUTES OF THE CONCURRENT REGULAR COUNCIL/SUCCESSOR AGENCY MEETINGS

June 10, 2014

City Council adjourned at 6:23 p.m., to Tuesday, June 17, 2014, at 5:00 p.m., in City Council Chambers.

Lena Shumway
City Clerk, CMC

**MINUTES OF THE
CONCURRENT REGULAR MEETINGS OF
THE CITY COUNCIL OF THE CITY OF COMMERCE, JOINT POWERS FINANCING
AUTHORITY AND
THE GOVERNING BODY OF THE SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION (HEREINAFTER
“SUCCESSOR AGENCY”)**

TUESDAY, June 17, 2014 – 5:00 p.m.

The meeting was called to order on June 17, 2014, at 5:09 p.m., in Council Chambers, 5655 Jillson Street, Commerce, California. **Present:** Councilmembers/Board Members Altamirano, Aguilar, Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chairperson Baca Del Rio (5).

Staff Present: Jorge Rifá, City Administrator; Eduardo Olivo, City Attorney; and Lena Shumway, City Clerk.

PUBLIC COMMENT

There following individuals addressed City Council on closed session items: Hugo Luan, Angelo Logan, and Gideon Kracov.

RECESSED TO CLOSED SESSION AT 5:35 p.m.

1. Pursuant to Government Code §54956.9(a), **the Successor Agency** conferred with its legal counsel, and took the appropriate action, with respect to the pending litigation of: Mayans Development, Inc. and Los Jardines, LLC v City of Commerce Community Development Commission, et al., Superior Court of the State of California, County of Los Angeles, Case No. BC505679.
2. Pursuant to Government Code §54956.9(b), **the City Council** conferred with its legal counsel, and took the appropriate action with respect to, significant exposure to litigation in two potential cases.
3. Pursuant to Government Code §54956.8, **the Successor Agency** conferred with its real property negotiator, Jorge Rifa, with respect to real estate negotiations regarding approval of a purchase and sale agreement with Gatwick Group, LLC, for the properties located at 4957 Sheila Street (AIN 5244-034-900) and 4800 E. Washington Boulevard (AIN 5244-033-900), Commerce, California.
4. Pursuant to Government Code §54957.6 **the City Council** conferred with its labor negotiator, Jorge Rifá, with respect to labor negotiations pertaining to the unrepresented full-time executive management employees.

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RECONVENED TO OPEN SESSION at 6:31 p.m.

ORAL CLOSED SESSION ANNOUNCEMENT

City Attorney Olivo reported on closed session items and stated that City Council took no reportable action on closed session Items #1 through #4.

6:30 P.M. – CITY COUNCIL MEETING

Regular City Council Meeting was called to order at 6:32 p.m.

The Salute to the Flag was led by Vilko Domic, Finance Director, followed by an invocation offered by Beatriz Sarmiento, Library Director.

APPEARANCES AND PRESENTATIONS

1. Commendation - 2014 Older American Recognition Award Recipient, Eddie Espinosa.

City Council congratulated Eddie Espinosa for becoming a recipient of the 49th Older American Recognition Award, and thanked him for all his contributions to the community and for his volunteerism.

PUBLIC COMMENT

The following individual addressed City Council on general matters within Council's jurisdiction: Camilo Cadenas.

CITY COUNCIL/SUCCESSOR AGENCY REPORTS

There were no City Council/Successor Agency reports.

CONSENT CALENDAR

Councilmember Aguilar asked that Item #9 be pulled from the Consent Calendar for discussion. Mayor Pro Tem Leon moved, seconded by Councilmember Altamirano, to approve the Consent Calendar, minus Item #9, which carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Altamirano, Aguilar, and Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chair Baca Del Rio (5)

NOES: None (0)

ABSTAIN: None (0)

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ABSENT: None (0)

2. Approval of Minutes

The City Council and Successor Agency approved the minutes of the Concurrent Adjourned Regular Meeting of Tuesday, May 27, 2014, held at 5:00 p.m., and the Concurrent Adjourned Regular Meeting of Tuesday, June 3, 2014, held at 5:00 p.m.

3. Approval of Warrant Register Nos. 22A and 22B

The City Council and Successor Agency approved the bills and claims set forth in Warrant Registers No. 22A, dated June 17, 2014, and 22B for the period of June 4, 2014 to June 12, 2014.

4. Award of Construction Contract to CPO Enterprises Inc. of Covina for Bus Shelter Installation

The City Council adopted Resolution #2014-57, awarding a Construction Contract to CPO Enterprises Inc., of Covina, for City Project No. 1306-2013/2014 - Bus Shelter Installation (Phase IV) Project.

5. Approval of the Purchase of One (1) Compressed Natural Gas (CNG) Service Truck from Thompson Motor Center, Inc.

The City Council adopted Resolution #2014-58, approving the purchase of one compressed natural gas (CNG) service truck from Thompson Motor Center, Inc.

6. Application for Grant Funding for Capital and Operating Assistance – Local Transportation Fund and State Transit Assistance Fund

The City Council approved Resolution #2014-59, authorizing Transportation Department staff to apply for grant funding for Capital and Operating Assistance on behalf of the City of Commerce, for Fiscal Year 2014-2015.

7. Approval of a Professional Services Agreement with ESA to Prepare CEQA Document for Slauson Avenue Sidewalk Improvement and Tree Planting Project

The City Council adopted Resolution #2014-64, approving a Professional Services Agreement with Environmental Science Associates (ESA) to prepare a CEQA document for the Slauson Avenue Sidewalk Improvement and Tree Planting Project.

8. Establish Compensation and Related Benefits for Unrepresented Management Employees and Authorize Employer Paid Member Contributions for Unrepresented Management Employees and Full-Time Employees Represented by the Employees Association

The City Council adopted Resolution #2014-61, establishing compensation and related benefits for full-time unrepresented management employees, and Resolution #2014-60, authorizing employer-paid member contributions for unrepresented management

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employees and full-time employees represented by the City of Commerce Employees Association.

9. Caltrans Letter on Community Alternative 7

City Administrator Rifa stated that the letter received from Caltrans regarding Community Alternative 7 indicated that Alternative 7 was not feasible from Caltrans's perspective, although the associated elements will be analyzed during environmental review process. According to City Administration Rifa, the letter will also be discussed at the upcoming I-710 Committee meeting. Councilmember Aguilar recommended that the City continue supporting Community Alternative 7. Councilmember Aguilar moved, seconded by Councilmember Robles, to receive and file the Caltrans letter concerning Community Alternative 7. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Altamirano, Aguilar, and Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chair Baca Del Rio (5)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: None (0)

10. A Resolution Authorizing the Destruction of Certain City Records

The City Council adopted Resolution #2014-62, authorizing the destruction of certain records.

11. Second Amendment to the Services Agreement for Engineering Design and Construction Management Services with SA Associates for the Camp Commerce Waterline Improvement Project

The City Council adopted Resolution #2014-63, approving the Second Amendment to the Services Agreement for Engineering Design and Construction Management Services with SA Associates for the Camp Commerce Waterline Improvement Project, and approved the plans and specifications for the project.

SCHEDULED MATTERS

12. Submittal of a Draft Joint Watershed Management Program and Coordinated Integrated Monitoring Program to the Los Angeles Regional Water Quality Control Board

Environmental Services Manager Nila provided an overview of the staff report and introduced Dr. Green, who in turn provided an in depth review of the MS4 permit requirements, the Watershed Management Program, and City's compliance obligations. Discussion ensued. Mayor Pro Tem Leon moved, seconded by Councilmember

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Altamirano, to adopt Resolution #2014-65, thereby authorizing the submittal of the Draft Joint Watershed Management Program and Coordinated Integrated Monitoring Program to the Los Angeles Regional Water Quality Control Board for approval. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Altamirano, Aguilar, and Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chair Baca Del Rio (5)
NOES: None (0)
ABSTAIN: None (0)
ABSENT: None (0)

13. Presentation on the I-710 Corridor Aesthetics Master Plan

Ernesto Chavez, Representative of the Metropolitan Transportation Authority, provided a presentation on the I-710 Corridor Aesthetic Master Plan. Discussion ensued on the modern theme design for the I-710 Corridor, the date for completion of construction, and the funding for the project. Councilmember Aguilar moved, seconded by Councilmember Robles, to approve the presented version of the I-710 Corridor Aesthetic Master Plan, and to allow the Plan to move forward to design. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Altamirano, Aguilar, and Robles, and Mayor Pro Tem/Vice Chair Leon (4)
NOES: Mayor/Chair Baca Del Rio (1)
ABSTAIN: None (0)
ABSENT: None (0)

14. Award of Exclusive Franchise Agreement to CalMet Services, Inc. for Residential Refuse and Recycling Services

Mayor Pro Tem Leon, Mayor Baca Del Rio, and Councilmember Altamirano recused themselves from participating in the discussion of this Item, as they received campaign contributions within the last year from Calmet Services, Inc. In order to maintain a quorum, one name out of the three Councilmembers that recused themselves was drawn; Councilmember Altamirano's name was drawn and he stayed for the hearing of this Item. City Attorney Olivo explained that the Brown Act allows for such a procedure in order to maintain a quorum, and that Councilmember Altamirano could legally vote on the Item.

Environmental Services Manager Nila provided a brief overview of the staff report. Discussion ensued. Councilmember Altamirano moved, seconded by Councilmember Aguilar, to adopt a Resolution awarding a five-year Exclusive Franchise Agreement to

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CalMet Services, Inc., for the provision of residential refuse and recycling services. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Altamirano, Aguilar, and Robles (3)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Mayor Pro Tem/Vice Chair Leon and Mayor/Chair Baca Del Rio recused themselves from this Item (2)

Bill Kalpakoff, General Manager of Calmet Services, Inc., thanked City Council for their support.

15. Presentation by IBEW-NECA regarding Net Zero Plus Project

Dick Reed, President of IBEW Local Union 11, provided a presentation on the Electrical Training Institute and its Net Zero Plus Project, which is a national showcase of innovation for Net Zero Plus energy technology and training. Discussion ensued. Councilmember Altamirano suggested that maybe some of the Measure AA Projects could move in the direction of Net Zero Plus. Councilmember Altamirano moved, seconded by Councilmember Aguilar, to receive and file the report and presentation. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Altamirano, Aguilar, and Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chair Baca Del Rio (5)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: None (0)

16. Measure AA Advisory Committee Recommendations and Reporting Requirements

A. City Council considered for approval, and authorized the recommendations provided by the Measure AA Advisory Committee.

Assistant City Administrator Mendoza provided a brief overview of the staff report. Councilmember Altamirano moved, seconded by Councilmember Robles, to approve the recommendations made by the Measure AA Advisory Committee.

Councilmember Aguilar left Council Chambers at 8:24 p.m.

The motion carried by the following vote:

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ROLL CALL:

AYES: Councilmembers/Board Members Altamirano and Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chair Baca Del Rio (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Councilmember/Board Member Aguilar (1)

B. City Council received and filed the Measure AA Advisory Committee Reporting Requirements for Fiscal Year 2014-2015.

Councilmember Robles moved, seconded by Councilmember Altamirano, to receive and file the Measure AA Advisory Committee reporting requirements as presented. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Altamirano and Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chair Baca Del Rio (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Councilmember/Board Member Aguilar (1)

Councilmember Aguilar returned to Council Chambers at 8:27 p.m.

17. Revisions to Civic Organization Criteria

Parks and Recreation Director Wasserman provided a brief review of the staff report.

Councilmember Altamirano left Council Chambers at 8:31 p.m.

Mayor Pro Tem Leon moved, seconded by Councilmember Aguilar, to establish the recommended changes to the criteria used to confer Civic Organization status on local community groups and organizations. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Aguilar and Robles, Mayor Pro Tem/Vice Chair Leon, and Mayor/Chair Baca Del Rio (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Councilmember/Board Member Altamirano (1)

18. Rescheduling of September 16, 2014, City Council Meeting

June 17, 2014

City Administrator Rifa announced that he will be attending the Annual International City/County Management Association Conference from September 13 to September 17, 2014, and recommended that the regularly scheduled City Council meeting of Tuesday, September 16, 2014, be rescheduled to Tuesday, September 23, 2014. Councilmember Aguilar moved, seconded by Councilmember Robles, to approve staff's recommendation and reschedule the City Council meeting. The motion carried by the following vote.

ROLL CALL:

AYES: Councilmembers/Board Members Aguilar and Robles, and Mayor/Chair Baca Del Rio (3)
NOES: None (0)
ABSTAIN: None (0)
ABSENT: Councilmember/Board Member Altamirano and Mayor Pro Tem/Vice Chair Leon (2)

19. Appointments to Finance and Budget Oversight Committee

Finance Director Domic provided a brief overview of the staff report.

Councilmember Altamirano returned to Council Chambers at 8:34 pm.

Councilmember Robles stated that she was interested in being appointed as a member to the Finance and Budget Oversight Committee.

Mayor Pro Tem Leon returned to Council Chambers at 8:36 pm.

Mayor Pro Tem Leon stated that she was interested in continuing as a member of the Finance and Budget Oversight Committee. Mayor Baca Del Rio agreed to release her seat as a member of the Finance and Budget Oversight Committee, and Councilmember Robles was appointed as a member of the Finance and Budget Oversight Committee.

20. Appointments to Measure AA Advisory Board, Education Commission and Commerce Refuse-to-Energy Authority

The following appointments were made:

Education Commission: Councilmember Altamirano appointed Sonya Rodriguez.

Measure AA Advisory Committee: Mayor Baca Del Rio appointed Xochitl Ibarra.

In regards to the Measure AA Advisory Committee Business Representative appointment, it was a consensus of City Council to direct staff to contact the Industrial Council to see if

June 17, 2014

any of their business members would be interested in serving on the Measure AA Advisory Committee.

Commerce Refuse-to-Energy Authority: It was a consensus of City Council to appoint Public Works and Development Services Director Maryam Babaki.

21. Discussion Regarding Preparing a City Council Agenda in Spanish

City Administrator Rifa provided a brief overview of the staff report. Councilmember Altamirano requested that the Item be tabled at this time due to the fact that additional funding would be required in order to provide agendas in Spanish.

22. Review of Issues Related to the City Council City Vehicle Use Policy

Councilmember Robles stated that she used the City vehicle to go to school, and respects City Council's decision requesting her to reimburse the City for such use. Councilmember Robles also stated that Mayor Baca Del Rio has not returned to the City, within 24 hours, the City vehicle she is using, and that the Vehicle Use Policy applies to all and should be enforced on all accordingly. Discussion ensued that these issues were two different things. City Attorney Olivo clarified that the issue pertaining to Councilmember Robles deals with the amount of reimbursement in a case where the City vehicle was used for personal use, while the issue brought up by Councilmember Robles is an alleged violation that should be addressed separately. Discussion further ensued on the two issues and allegations, and it was decided that the Item be brought back up at a later date since Councilmember Robles has not come up with a reimbursement amount, and so that available options can be reviewed for the enforcement of the policy violation.

23. Facility Room Rental Policy

Parks and Recreation Director Wasserman provided an overview of the staff report, including an explanation of the sanctions related to policy violations. Councilmember Robles stated that the issue involving Joana Flores was not handled properly, as there was an appeals process available that was not relayed Ms. Flores. Discussion ensued on the recent violation of the Facility Room Rental Policy by Joanna Flores. Mayor Baca Del Rio stated that individuals wanting to serve the City should follow City policies, especially when they are very familiar with such policies, as in the case of Joanna Flores. Furthermore, Mayor Baca Del Rio stated that Ms. Flores resigned from her commission appointment, and that City Council would let it go at this point. There was no action taken on this Item.

LEGISLATIVE UPDATE

24. Position Letter Opposing AB 1826 - Organics Recycling

June 17, 2014

Assistant City Administrator Mendoza provided a brief overview of the staff report.

Mayor Pro Tem Leon left Council Chambers at 9:17 p.m.

Councilmember Aguilar moved, seconded by Councilmember Altamirano, to approve the position letter opposing Organics Recycling, as proposed in ABI 1826. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Aguilar, Altamirano, and Robles, and Mayor/Chair Baca Del Rio (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Mayor Pro Tem/Vice Chair Leon (1)

25. Position Letter in Support of SB 1129 – Redevelopment Dissolution

Assistant City Administrator Mendoza provided a brief overview of the staff report. Councilmember Aguilar moved, seconded by Councilmember Altamirano, to approve the position letter in support of SB 1129, which was introduced by Senator Steinberg, and would address several important issues affecting redevelopment dissolution. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Aguilar, Altamirano, and Robles, and Mayor/Chair Baca Del Rio (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Mayor Pro Tem/Vice Chair Leon (1)

26. Position Letter in Support of AB 1331 - Water Bond Stormwater and Urban Runoff Funding

Assistant City Administrator Mendoza provided a brief overview of the staff report. Councilmember Aguilar moved, seconded by Councilmember Altamirano, to approve the position letter in support of the Water Bond Stormwater and Urban Runoff Funding, which would support regional self-reliance. The motion carried by the following vote:

ROLL CALL:

AYES: Councilmembers/Board Members Aguilar, Altamirano, and Robles, and Mayor/Chair Baca Del Rio (4)

June 17, 2014

NOES: None (0)
ABSTAIN: None (0)
ABSENT: Mayor Pro Tem/Vice Chair Leon (1)

27. Position Letter - 2014/15 State Budget Priorities

Assistant City Administrator Mendoza provided a brief overview of the staff report. City Council did not take any action on this Item.

ADJOURNMENT

City Council adjourned at 9:36 p.m., to Tuesday, June 24, 2014, at 5:00 p.m., in Council Chambers.

Lena Shumway
City Clerk, CMC

**MINUTES OF THE
SPECIAL CITY COUNCIL MEETING**

Tuesday, June 17, 2014 – 5:00 P.M.

The meeting was called to order on Tuesday, June 17, 2014, at 4:06 p.m., in the Community Services Conference Room. **Present:** Councilmembers Altamirano, Aguilar, Robles, Mayor Pro Tem Leon and Mayor Baca Del Rio (5).

PUBLIC COMMENT

There were no individuals wishing to address City Council on any matters within the Council jurisdiction.

SCHEDULED MATTERS

1. Discussion of General City and Policing Matters with the Los Angeles County Sheriff's Department Personnel.

Chief Denham talked about some recent changes within the Los Angeles County Sheriff's Department. Chief Denham stated that Captain Wolak had been appointed as a Head of the Narcotics Department. According to Chief Denham, there are no personnel changes within the Commerce Sheriff's Station, and the new Captain would do a great job in serving the City of Commerce.

In response to Councilmember Robles question about the public disturbance during City Council meeting, and how Sheriff's should be handling it, Chief Denham responded that the City Council has the right to have people removed, and in case when members of the public becoming unruly, Sheriff's would warn them, try to convince them to stop interrupting, and finally remove from the Chambers.

Councilmembers thanked and congratulated Captain Wolak with the promotion and thanked all Station personnel for their hard work and what they do for the community.

Captain Wolak thanked City Council for all support, and stated that the City of Commerce is having good staff representing Commerce.

Mr. Hernandez spoke for the records and recommended looking at volunteer policing.

ADJOURNMENT

City Council adjourned at 4:51pm.

Lena Shumway
City Clerk, CMC



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. 6

FROM: City Administrator

SUBJECT: LOS ANGELES COUNTY ECONOMIC DEVELOPMENT
CORPORATION 2014 EDDY AWARDS (MOST BUSINESS
FRIENDLY CITY)

MEETING DATE: July 1, 2014

RECOMMENDATION:

Receive and file and provide direction as Council deems appropriate. Staff recommends filing an application and participating in the 2014 competition.

MOTION:

Move to approve staff's recommendation.

BACKGROUND:

The Los Angeles County Economic Development Corporation (LAEDC) is the region's leading provider of economic development services. Established in 1981, the LAEDC's mission is to attract, retain and grow businesses and jobs for the regions of Los Angeles County. The LAEDC serves the 88 cities and more than 100 unincorporated communities of L.A. County through its free business assistance and attraction programs, economic research, fee-supported economic and policy analysis, and public policy leadership. Each year the LAEDC hosts the Eddy Awards to support fulfillment of their mission and to recognize excellence in economic development. In the past the City of Commerce has applied for this honor and was selected as a finalist in 2012 for the most business friendly city award. The window for submitting an application for the 2014 awards is now open, and staff in Public Works and the Public Information Office has begun working on the submittal package. The purpose of this report is to inform the City Council of the forthcoming submittal to the LAEDC. The deadline is July 14, 2014 and the theme for the City's submittal will be: "Collaboration, Sustainable Economic Development, and Exceptional Customer Service". This will allow for the focus to be on items such as, but not limited to, Measure AA investments in the City infrastructure, the collaboration of Business and Community in the Green Zones effort, City Council business visits, international tourism, goods movement, the PACE program, the SIC Code update, the Public Works and Development Services organization study and reinvestment in the Department, and much more.

Benefits of the award include recognition before 600 of the most important civic and business leaders in LA County at the Eddy Awards gala, year-long recognition on LAEDC's website, and valuable media recognition. Plus, past winners have used the award as a key part of their business attraction strategies.

ALTERNATIVES:

1. Provide staff with alternative direction.

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This agenda report relates to the 2011 strategic planning goal: "*Protect and Enhance the Quality of Life in the City of Commerce*".

Prepared by:
Matt Marquez
City Planner

Recommended by:
Maryam Babaki
Director of Public Works &
Development Services

Reviewed by:
Vilko Domic
Finance Director

Approved as to form:
Eduardo Olivo
City Attorney

Respectfully submitted:
Jorge Rifa
City Administrator



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Administrator

SUBJECT: Environmental Procurement Policy

MEETING DATE: July 1, 2014

Item No. 7

RECOMMENDATION:

Adopt a resolution to approve an Environmental Procurement Policy for the City of Commerce effective July 1, 2014.

ANALYSIS:

The California Integrated Waste Management Act, which was enacted by AB 939 in 1989, requires that the City of Commerce adopt a Source Reduction and Recycling Element, a Household Hazardous Waste Element, and fees and methods for their implementation. The City is required to report compliance with AB 939 annually. The City is in compliance with the State's recycling program and solid waste reduction goals.

In addition to annual compliance reporting, the City is audited annually by the California Department of Resources Recycling and Recovery (CalRecycle) for program implementation and expansion, where feasible, in connection with green practices. The most recent audit occurred on March 26, 2014 and included review of the City's Commercial Recycling Program, effective July 1, 2012, and residential disposal practices. As a result of this audit, CalRecycle requested that the City adopt an Environmental Procurement Policy.

The purpose of the Policy is to encourage the procurement of services and products that reduce toxicity, conserve natural resources, materials and energy, and maximize recyclability and recycled content. The Policy further establishes that "green products" are preferred whenever such products perform satisfactorily and are available at the lowest bid.

In the best interest of the City, staff recommends approving the City of Commerce Environmental Procurement Policy.

ALTERNATIVES:

1. Approve staff recommendation.
2. Decline staff recommendation and provide further direction.

FISCAL IMPACT:

There is no fiscal impact.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to the specific 2012 Strategic goal to develop a tangible environmental mitigation plan.

Respectfully submitted by: Jorge Rifa, City Administrator

Approved by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Gina Nila, Environmental Services Manager

Reviewed by: Vilko Domic, Finance Director

Approved as to form by: Eduardo Olivo, City Attorney

ATTACHMENTS:

1. Resolution
2. Environmental Procurement Policy

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING AN ENVIRONMENTAL PROCUREMENT POLICY FOR
THE CITY OF COMMERCE

WHEREAS, the California Integrated Waste Management Act, which was enacted in 1989, requires the City of Commerce to adopt a Source Reduction and Recycling Element, a Household Hazardous Waste Element, and fees and methods for their implementation; and

WHEREAS, the City is required to report compliance with AB 939 annually; and

WHEREAS, the City is in compliance with the State's recycling program and solid waste reduction goals; and

WHEREAS, in addition to annual compliance reporting, the City is audited annually by the California Department of Resources Recycling and Recovery (CalRecycle) for program implementation and expansion, where feasible, of green practices. After its last audit on March 26, 2014, CalRecycle requested that the City adopt an Environmental Procurement Policy (the "Policy"); and

WHEREAS, the purpose of the Policy is to encourage the procurement of services and products that reduce toxicity, conserve natural resources, materials and energy, and maximize recyclability and recycled content. The Policy further establishes that "green products" are preferred whenever such products perform satisfactorily and are available at the lowest bid; and

WHEREAS, staff recommends that the City Council adopt the proposed Environmental Procurement Policy.

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

Section 1. The Environmental Procurement Policy, which is attached hereto, is hereby approved and adopted.

PASSED, APPROVED AND ADOPTED this 1st day of July, 2014.

Tina Baca Del Rio
Mayor

ATTEST:

Lena Shumway
City Clerk

City of Commerce

Environmental Procurement Policy

1. Purpose

This policy shall be known as the “City of Commerce Environmental Procurement Policy.” The primary purpose of this policy is to maximize environmental benefits of the City’s activities by encouraging the procurement of services and products that:

- reduce toxicity
- conserve natural resources, materials, and energy
- maximize recyclability and recycled content

“Green products” are preferred whenever such products perform satisfactorily and are available at the lowest bid.

A collateral purpose of this policy is to support markets for recycled goods and other environmental products and services.

2. Definitions

Practicable means sufficient in performance and available at the lowest bid. Final determination of the practicability of any given product must lie with the users of the product since it is the user who understands the product’s performance and the user’s budgetary requirements.

Environmental Product has a lesser or reduced negative effect on human health and the environment when compared with competing products which serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, and disposal of the product. This term includes, but is not limited to, recycled products, recyclable products, low toxicity products, and reusable products.

Recyclable Product is a product that, after its intended end use, can demonstrably be diverted from the City’s solid waste stream for use as a raw material in the manufacture of another product.

Recycled Product is a product containing recycled material.

Reusable Products is a product that can be used several times for an intended use before being discarded, such as a washable food or beverage container or a refillable ballpoint pen.

3. Policies

The City shall acquire its goods and services in a manner that complies with City, state and federal laws. The City shall promote the use of Environmental Products in its acquisition of goods and services. Nothing in this policy shall be construed as requiring any City department to procure products that do not perform adequately for their intended use or products that are not the lowest price bid.

Procedures and guidelines may be established as necessary to encourage the continuation of a strong Environmental Procurement Program. It is the policy of the City of Commerce to:

1. Procure Environmental Products and Services where criteria have been established by governmental or other widely recognized authorities (e.g. Energy Star, Green Seal, and EPA Eco Purchasing Guidelines).
2. Raise staff awareness on the environmental issues affecting procurement by providing relevant information and training.
3. Encourage suppliers and contractors to offer Environmental Products at competitive prices.
4. Encourage providers of services to consider environmental impacts of service delivery.
5. Encourage departments to include specifications for Recycled and Environmental Products in all City contracts. The City Code allows departments to evaluate the efficacy of a product prior to formulation of product specifications and further allows departments to specify both Environmental Products and standard products in the same proposal/bid. Departments may also specify only Environmental Products and select the lowest priced bidder.
6. Continue, and if possible, expand its existing programs to purchase Environmental Products (such as re-refined automotive oils and coolants; the use of integrated pest-management, green seal custodian supplies, etc.). City

departments are also encouraged to evaluate Environmental Products and purchase them when possible.

4. Lead Departments

The Environmental Services Division of the Public Works and Development Services Department will collaborate with the Finance Department's Purchasing Division in the implementation of this Policy. All departments are also encouraged to participate in the implementation of this Policy.

5. Policy Goals

City departments should work to integrate environmental factors into the City's buying decisions where external authorities have not established purchasing criteria, for example:

- Replace disposables with reusable or recyclable items.
- Support eco-labeling practices by buying products bearing such labels in preference to others, where they are available and provide value for money.
- Take into account life cycle costs and benefits.
- Evaluate, as appropriate, the environmental performance of vendors in providing products and services.

City departments should follow the following specific purchasing recommendations:

- Imprinted letterhead paper, envelopes and business cards used by the City of Commerce should be composed of recycled paper and bear a symbol identifying the paper as recycled, provided the quality and pricing meet the City criteria.
- Use of re-refined oil in its fleet operations where comparable.
- The percentages of post-consumer content (minimum 10%) and recycled content (minimum 20%) should be specified in the Request for Proposals and bid specifications for letterhead and other paper grades based on industry availability.
- Use of recycled paper products.
- Use of Energy Star and/or low energy rated products.
- Use of green cleaning products.



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. 8

FROM: City Administrator

SUBJECT: A Resolution Approving an Agreement with International Institute of Los Angeles to Participate in the Immediate Needs Transportation Program; and Authorize the Mayor to Sign the Agency Register Form

MEETING DATE: JULY 1, 2014

RECOMMENDATION:

City Staff recommends that the City Council approve a Resolution approving an Agreement with International Institute of Los Angeles (IILA) to participate in the Immediate Needs Transportation Program; and Authorize the Mayor to Sign the Agency Register Form.

ANALYSIS:

The City is in agreement with the IILA to provide transportation tokens to qualifying individuals on a monthly basis, as part of the Immediate Needs Transportation Program. The tokens are provided to assist residents in accessing public benefits or services related to health care, mental health, job search, shelter and other services deemed necessary. The participating individuals must meet the minimum eligibility guidelines that are set forth by L.A. County Metropolitan Transportation Authority (MTA). The City must maintain monthly user log sheets including each participant's information, upon disbursement of the tokens. This program has been in effect with the City since 1998.

ALTERNATIVES:

1. Approve the Resolution; or
2. Provide staff with further direction

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This matter is applicable to the following 2012 Strategic Goal: "Protect and Enhance the Quality of Life in the City of Commerce."

Recommended by: Matthew C. Rodriguez, Director of Safety and Community Services
Approved As To Form: Eduardo Olivo, City Attorney
Respectfully Submitted: Jorge Rifá

ATTACHMENT:

1. Resolution
2. Agreement

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF COMMERCE, CALIFORNIA
APPROVING THE INTERNATIONAL INSTITUTE OF LOS ANGELES
PARTICIPATION AGREEMENT, TO PARTICIPATE IN THE IMMEDIATE
NEEDS TRANSPORTATION PROGRAM; AND AUTHORIZATION TO
EXECUTE THE IILA AGREEMENT**

WHEREAS, the City of Commerce recognizes that some Community members need assistance with transportation tokens to access public benefits or services related to health care, mental health, job search, shelter and others deemed necessary in accordance with guidelines; and

WHEREAS, the City of Commerce, will distribute an allocated amount of transportation tokens once per month, to community members who meet the minimum eligibility guidelines set forth by Metro; and

WHEREAS, the Immediate Needs Transportation Program has been in effect with the City since 1998; and

WHEREAS, the City Council desires to continue participating with the International Institute of Los Angeles in the Immediate Needs Transportation Program; and

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

Section 1. The International Institute of Los Angeles Immediate Needs Transportation Program Participation Agreement for July 1, 2014 – June 30, 2015, is hereby approved. The Mayor is authorized and directed to execute the Agreement approved herein on behalf of the City.

PASSED AND APPROVED this 1st day of July 2014, at Commerce, California.

Tina Baca Del Rio, Mayor

ATTEST:

Lena Shumway
City Clerk

Immediate Needs Transportation Program (INTP) Agency Register Form

(recorded and retained by IILA/FAME)

MONTHLY ALLOTMENT		
TOKENS	COUPONS	VOUCHERS

Date: 7/1/2014

Agency Name City of Commerce Agency 501(c)(3) # 956006477

Agency Address 2535 Commerce Way Commerce, CA 90040
Street Suite # City State Zip Code

Direct Phone # 323/ 887-4460 Alternative Phone # 323/ 722-4805 Fax # 323/ 838-4256

Types of Service Social Services, Public Safety, Employment Referral, Business Watch, Emergency Preparedness, Probation, and Animal Control

I. Person Authorized to Enter Agency Into Agreements.

Tina Baca Del Rio Mayor tinad@ci.commerce.ca.us
Print Name Position Email Address Signature

II. Program Manager/Coordinator (person responsible for administration of program)

Ed Saucedo Social Services Coordinator eds@ci.commerce.ca.us Add Remove
Print Name Position Email Address Signature

Moyra Garcia Social Services Coordinator moyrag@ci.commerce.ca.us Add Remove
Print Name Position Email Address Signature

III. Persons Authorized to Pick-up and Distribute Media (tokens, coupons and vouchers)

Ed Saucedo Social Services Coordinator eds@ci.commerce.ca.us Add Remove
Print Name Position Email Address Signature

Moyra Garcia Social Services Coordinator moyrag@ci.commerce.ca.us Add Remove
Print Name Position Email Address Signature

Nancy Perez Receptionist nperez@ci.commerce.ca.us Add Remove
Print Name Position Email Address Signature

Carmenlinda Galvan Receptionist carmenlindag@ci.commerce.ca.us Add Remove
Print Name Position Email Address Signature

Maria Solis Senior Office Assistant marias@ci.commerce.ca.us Add Remove
Print Name Position Email Address Signature

Is your agency open to servicing walk-ins referred by IILA for transportation assistance (tokens, coupons, vouchers, scripts)? Yes No
 If yes, please list the preferred days and hours for referral/walk-ins _____



CITY OF COMMERCE AGENDA REPORT

Item No. **9**

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF COMMERCE, CALIFORNIA TO AMEND AND RESTATE FUNDING AGREEMENT TO ALLOCATE MEASURE R AND PROPOSITION C FUNDING FOR THE WASHINGTON BOULEVARD WIDENING AND RECONSTRUCTION PROJECT

MEETING DATE: July 1, 2014

RECOMMENDATION:

That the Council approve the Resolution to amend and restate Funding Agreement to allocate Measure R and Proposition C Funding for the Washington Boulevard Widening and Reconstruction Project.

BACKGROUND:

Washington Boulevard is a regional significant arterial in the City of Commerce. Washington Blvd which is part of the Gateway Area of Los Angeles County, serves as a key link for goods movement to and from the two ports of Long Beach and Los Angeles. It also provides the goods movement connection to and from the Rail Road Yards of UPC and BNSF to throughout Southern California. Because of this regional significance the City received a Grant from Los Angeles County Metropolitan Transportation Authority (LACMTA) in 2007 and funding from the California Transportation Commission to fund capacity improvements along this corridor.

ANALYSIS:

LACMTA adopted Ordinance #08-01, the Traffic Relief and Rail Expansion Ordinance, on July 24, 2008, which was approved by the voters of Los Angeles County on November 4, 2008 as "Measure R" and became effective on January 2, 2009.

The City of Commerce and LACMTA entered into a Call for Projects Memorandum of Understanding (MOU) #MOU.P00F1107 dated as of December 31, 2007. The MOU was amended on July 15, 2010, August 12, 2011, and September 28, 2012 for \$13,362,000 in Proposition C 25%.

On June 27, 2014, the LACMTA Board programmed \$3,500,000, in "Measure R" Funds to the City of Commerce for design, right of way acquisition, construction, construction management, and contingencies, subject to the terms and conditions contained in the Funding Agreement.

The funds are currently programmed for project development as follows: \$77,000 in Proposition C 25% funds in FY 2007-2008; \$5,916,000 in FY 2009-10; \$6,094,000 in FY 2010-11; \$1,275,000 in FY 2011-12; and \$2,500,000 in "Measure R" funds in FY 2014-15; \$1,000,000 in FY 2015-16. The total designated for project development is \$16,862,000.00.

The City of Commerce and LACMTA desire to amend and restate the existing Funding Agreement, and the parties desire that this Funding Agreement supercede and replace the existing Funding Agreement in its entirety.

ALTERNATIVES:

1. Approve staff Recommendation;
2. Reject staff Recommendation; or
3. Provide staff with further direction.

FISCAL IMPACT:

It is expected that the City will not incur additional costs for the Project.

RELATIONSHIP TO STRATEGIC GOALS:

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

Recommended by:

Maryam Babaki
Director
Public Works and Development Services

Respectfully submitted,

Jorge Rifa
City Administrator

Reviewed by: Vilko Domic

Approved as to form: Eduardo Olivo
City Attorney

Wendell Johnson
Assistant Director
Public Works and Development Services

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF COMMERCE, CALIFORNIA APPROVING THE AMENDED AND RESTATED FUNDING AGREEMENT MEASURE R AND PROPOSITION C FUNDING AGREEMENT FOR THE WASHINGTON BOULEVARD WIDENING AND RECONSTRUCTION PROJECT

WHEREAS, LACMTA adopted Ordinance #08-01, the Traffic Relief and Rail Expansion Ordinance, on July 24, 2008, which was approved by the voters of Los Angeles County on November 4, 2008 as "Measure R" and became effective on January 2, 2009; and

WHEREAS, the City of Commerce and LACMTA entered into that certain Call for Projects Memorandum of Understanding (MOU) #MOU.P00F1107 dated as of December 31, 2007. The MOU was amended on July 15, 2010, August 12, 2011, and September 28, 2012 for \$13,362,000 in Proposition C 25%; and

WHEREAS, on June 27, 2013, the LACMTA Board programmed \$3,500,000 in "Measure R" Funds to City of Commerce for design, right of way acquisition, construction, construction management, and contingencies, subject to the terms and conditions contained in the Funding Agreement; and

WHEREAS, the funds are currently programmed for project development as follows: \$77,000 in Proposition C 25% funds in FY 2007-2008; \$5,916,000 in FY 2009-10; \$6,094,000 in FY 2010-11; \$1,275,000 in FY 2011-12; and \$2,500,000 in "Measure R" funds in FY 2014-15; \$1,000,000 in FY 2015-16. The total designated for project development is \$16,862,000.00; and

WHEREAS, the City of Commerce and LACMTA desire to amend and restate the existing Funding Agreement and desire that the amended and restated Funding Agreement will supersede and replace the existing Funding Agreement in its entirety.

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

1. **Section 1.** The amended and restated Funding Agreement Measure R and Proposition C Funding Agreement Measure R and Proposition C Funding Agreement for the Washington Boulevard Widening and Reconstruction Project is hereby approved. The Mayor is authorized to sign the Agreement for and on behalf of the City of Commerce.

PASSED, APPROVED AND ADOPTED this ___ day of _____, 2014.

ATTEST:

Lena Shumway
City Clerk

Tina Baca Del Rio, Mayor

**AMENDED AND RESTATED FUNDING AGREEMENT
MEASURE R AND PROPOSITION C
FUNDING AGREEMENT**

This Funding Agreement ("FA") is dated for reference purposes only October 24, 2013, and is by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and City of Commerce ("Grantee") for Washington Blvd. Widening and Reconstruction Project, LACMTA Project ID# MR306.23, Call for Project #F1107 and FTIP# LAE3085, (the "Project").

WHEREAS, LACMTA adopted Ordinance #08-01, the Traffic Relief and Rail Expansion Ordinance, on July 24, 2008 (the "Ordinance"), which Ordinance was approved by the voters of Los Angeles County on November 4, 2008 as "Measure R" and became effective on January 2, 2009.

WHEREAS, the funding set forth herein is intended to fund Project Development.

WHEREAS, the Grantee and LACMTA entered into that certain Call for Projects Memorandum of Understanding # MOU.P00F1107 dated as of December 31, 2007; amended on July 15, 2010, August 12, 2011, and September 28, 2012 (the "Existing FA") for \$13,362,000 in Proposition C 25%.

WHEREAS, the LACMTA Board, at its June 27, 2013 meeting, programmed \$3,500,000, in Measure R Funds to City of Commerce for design, right of way acquisition, construction, construction management, and contingencies, subject to the terms and conditions contained in this FA; and

WHEREAS, the Funds are currently programmed for project development as follows: \$77,000 in Proposition C 25% funds in FY 2007-08; \$5,916,000 in FY 2009-10; \$6,094,000 in FY 2010-11; \$1,275,000 in FY 2011-12 ; AND \$2,500,000 in Measure R Funds in FY 2014-15; \$1,000,000 FY 2015-16. The total designated for project development of the Project is \$16,862,000.

WHEREAS, the Grantee and LACMTA desire to amend and restate the Existing FA in its entirety in order to reflect the reprogrammed funds. By entering into this FA, the parties desire that this FA will supersede and replace the Existing FA in its entirety.

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this FA consist of the following and each is incorporated by reference herein as if fully set forth herein:

1. Part I – Specific Terms of the FA
2. Part II – General Terms of the FA
3. Attachment A – Project Funding
4. Attachment B – Expenditure Plan Guidelines
Attachment B1 – Expenditure Plan- Cost & Cash Flow Budget
5. Attachment C – Scope of Work
6. Attachment D – Reporting and Expenditure Guidelines

7. Attachment D1 – Monthly Progress Report
8. Attachment D2 – Quarterly Expenditure Report
9. Attachment E – Federal Transportation Improvement Program (FTIP) Sheet
10. Attachment F – Special Grant Conditions
11. Attachment G – Bond Requirements
12. Any other attachments or documents referenced in the above documents

In the event of a conflict, the Special Grant Conditions, if any, shall prevail over the Specific Terms of the FA and any attachments and the Specific Terms of the FA shall prevail over the General Terms of the FA.

FTIP #: LAE3085
Measure R & Prop C Funding Agreement

Project#: MR306.23/F1107
FA: #MOU.MR306.23

IN WITNESS WHEREOF, the parties have caused this FA to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____ Date: _____
Arthur T. Leahy
Chief Executive Officer

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By:  _____ Date: 5/8/14 _____
Deputy

GRANTEE:

CITY OF COMMERCE

By: _____ Date: _____
Mayor

APPROVED AS TO FORM:

By: _____ Date: _____
Eduardo Olivo
City Attorney

PART I
SPECIFIC TERMS OF THE FA

1. Title of the Project (the "Project"): Washington Blvd. Widening and Reconstruction Project] – Design, Project Development, Right-of-Way, and Construction. LACMTA Project ID# MR306.23, FTIP# LAE3085, LACMTA Call for Projects ID# F1107.
2. Grant Funds:
 - 2.1 Programmed Funds for this Project consist of the following: Proposition C 25% funds and Measure R funds for the Project. The Proposition C 25% and the Measure R funds together are referred to as "the Funds."
 - 2.2 To the extent the Proposition C 25% funds are available, LACMTA shall make to GRANTEE a grant of the Proposition C 25% funds in the amount of \$13,362,000 programmed over Fiscal Years (FY) 2007-2008, FY 2009-10, FY 2010-11, and FY 2011-12. To the extent the Measure R funds are available, LACMTA shall make to GRANTEE a grant of the Measure R funds in the amount of \$3,500,000 programmed over FY 2014-2015 and FY 2015-16 only
3. This grant shall be paid on a reimbursement basis. Grantee must provide the appropriate supporting documentation with the Monthly Progress Report and the Quarterly Expenditure Report. Grantee Funding Commitment, if applicable must be spent in the appropriate proportion to the Funds with each quarter's expenditures. LACMTA will withhold five percent (5%) of eligible expenditures per invoice as retainage pending an audit of expenditures and completion of scope of work.
4. Attachment A the "Project Funding" documents all sources of funds programmed for the Project as approved by LACMTA and is attached as Attachment A. The Project Funding includes the total programmed funds for the Project, including the Funds programmed by LACMTA and, if any, the Grantee Funding Commitment of other sources of funding. The Project Funding also includes the fiscal years in which all the funds for the Project are programmed. The Funds are subject to adjustment by subsequent LACMTA Board Action.
5. Attachment B1 is the Expenditure Plan- Cost & Cash Flow Budget (the "Expenditure Plan"). It is the entire proposed cash flow, the Budget and financial plan for the Project, which includes the total sources of all funds programmed to the Project, including GRANTEE and other entity funding commitments, if any, for this Project as well as the fiscal year and quarters the Project funds are anticipated to be expended. GRANTEE shall update the Expenditure Plan annually, no later than December 31, and such update shall be submitted to LACMTA's Executive Director of Highway Program in writing. If the LACMTA's Executive Director of Highway Program concurs with such updated Expenditure Plan in writing, Attachment B1 shall be replaced with the new Attachment B1 setting forth the latest approved Expenditure Plan. Payments under this FA shall be consistent with Attachment B1 as revised from time to time. In no event can the final milestone date be changed or amended by written

concurrence by the LACMTA Executive Director of Highway. Any change to the final milestone date must be made by a fully executed amendment to this FA.

6. **Attachment C** is the Scope of Work ("the Scope of Work"). The GRANTEE shall complete the Project as described in the Scope of Work. This Scope of Work shall include a detailed description of the Project and the work to be completed, including anticipated Project milestones and a schedule consistent with the lapsing policy in Part II, Section 9, and a description of the Project limits. No later than December 31 of each year, Grantee shall notify LACMTA if there are any changes to the final milestone date set forth in the schedule or any changes to the Scope of Work. If LACMTA agrees to such changes, the parties shall memorialize such changes in an amendment to this FA. Work shall be delivered in accordance with this schedule and scope unless otherwise agreed to by the parties in writing. If GRANTEE is consistently behind schedule in meeting milestones or in delivering the Project, LACMTA will have the option to suspend or terminate the FA for default as described in Part II, Sections 2, 9, 10 and 11 herein below. To the extent interim milestone dates are not met but Grantee believes it can make up the time so as to not impact the final milestone date, Grantee shall notify LACMTA of such changes in its Monthly Progress Reports and such interim milestone dates will automatically be amended to the latest interim milestone dates provided in the Monthly Progress Reports Attachment D1. In no event can the final milestone date be amended by a Monthly Progress Report.

7. No changes to this FA, including but not limited to the Funds; and any other source of funds from LACMTA in the Project Funding, Expenditure Plan or the Scope of Work shall be allowed without an amendment to the original FA, approved and signed by both parties.

8. **Attachment D** - the Reporting & Expenditure Guidelines; Grantee shall complete the "Monthly Progress Report and the Quarterly Expenditure Report." The Monthly Progress and Quarterly Expenditure Report are attached to this FA as Attachments D1 and D2 in accordance with Attachment D - Reporting and Expenditure Guidelines.

9. **Attachment E** the "FTIP PROJECT SHEET (PDF)" is attached as Attachment E and is required to ensure that the Project is programmed correctly in the most up-to-date FTIP document. The FTIP PROJECT SHEET (PDF) can be found in ProgramMetro FTIP database under the reports section at <http://program.metro.net>. All projects that receive funding through Measure R must be programmed into the FTIP which includes locally funded regionally significant projects for information and air quality modeling purposes. Grantee shall review the Project in ProgramMetro each year and update or correct the Project as necessary during a scheduled FTIP amendment or adoption. Grantee will be notified of amendments and adoptions to the FTIP via e-mail. Changes to the FTIP through ProgramMetro should be made as soon as possible after Grantee is aware of any changes to the Project, but no later than October 1 of the year the change or update is effective. Should Grantee fail to meet this date, it may affect Grantee's ability to access funding, delay the Project and may ultimately result in the Funds being lapsed.

10. No changes to the (i) Grant amount, (ii) Project Funding, (iii) the Scope of Work (except as provided herein), (iv) Final milestone date or (v) Special Grant Conditions, shall be allowed

without a written amendment to this FA, approved and signed by the LACMTA Chief Executive Officer or his/her designee and Grantee. Modifications that do not materially affect the terms of this FA, such as redistributing Funds among existing budget line items or non-material schedule changes must be formally requested by Grantee and approved by LACMTA in writing. Non-material changes are those changes, which do not affect the grant amount, or its schedule, Project Funding, Financial Plan, the Scope of Work, including its schedule

11. LACMTA's Address:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attention: Lucy Olmos, MS 99-22-9
PHONE (213) 922-7099
Olmosl@metro.net

12. Grantee's Address:

City of Commerce
2535 Commerce Way
Commerce, CA 90040
Attention: Victor San Lucas, Project Manager
(323)584-8164

13. MAINTENANCE OF EFFORT – MOE. On September 26, 2002, the LACMTA Board of Directors required that prior to receiving Proposition C 10% or 25% grant funds through the Call for Projects, Grantee must meet a Maintenance of Effort (MOE) requirement consistent with the State of California's MOE as determined by the State Controller's office. With regard to enforcing the MOE, LACMTA will follow the State of California's MOE requirement, including, without limitation, suspension and re-implementation.

14. LACMTA anticipates it may need to avail itself of lower cost bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the 'Bonds') to provide at least a portion of its funding commitments under this Agreement to GRANTEE. GRANTEE shall ensure that the expenditure of the Funds disbursed to GRANTEE does not jeopardize the tax-exemption of the interest, the Federal subsidy payment or the tax credit, as applicable, as specified in the Bond Requirements attached as Attachment G to this Agreement. GRANTEE agrees to provide LACMTA with progress reports, expenditure documentation, and any other documentation as reasonably requested by LACMTA and necessary for LACMTA to fulfill its responsibilities as the grantee or administrator or bond issuer of the Funds. With regard to LACMTA debt financing to provide any portion of the Funds, GRANTEE shall take all reasonable actions as

may be requested of it by LACMTA's Project Manager for the Project, to assist LACMTA in demonstrating and maintaining over time, compliance with the relevant sections of the Federal Tax Code to maintain such bonds tax status.

15. This FA hereby supersedes and replaces the Existing FA in its entirety. By entering into this FA, the parties desire that this FA supersedes and replaces the Existing FA in its entirety. The Existing FA is hereby void and is no longer of any force or effect.

PART II **GENERAL TERMS OF THE FA**

1. TERM

The term of this FA shall commence on the date this FA is fully executed and, shall terminate upon the occurrence of all of the following, unless terminated earlier as provided herein: (i) the agreed upon Scope of Work has been completed; (ii) all LACMTA audit and reporting requirements have been satisfied; and (iii) the final disbursement of the Funds has been made to Grantee. All eligible Project expenses as defined in the Reporting and Expenditure Guidelines (**Attachment D**), incurred after the FA is executed shall be reimbursed in accordance with the terms and conditions of this FA unless otherwise agreed to by the parties in writing.

2. SUSPENDED OR TERMINATION

Should LACMTA determine there are insufficient Funds available for the Project, LACMTA may suspend or terminate this FA by giving written notice to GRANTEE at least thirty (30) days in advance of the effective date of such suspension or termination. If a Project is suspended or terminated pursuant to this section, LACMTA will not reimburse GRANTEE any costs incurred after that suspension or termination date, except those costs necessary (i) to return any facilities modified by the Project construction to a safe and operable state; and (ii) to suspend or terminate the construction contractor's control over the Project. LACMTA's share of these costs will be consistent with the established funding percentages outlined in this FA.

3. INVOICE BY GRANTEE

Unless otherwise stated in this FA, the Quarterly Expenditure Report, with supporting documentation of expenses and Project progress as described in Part II, Section 6.1 of this FA, and other documents as required, shall satisfy LACMTA invoicing requirements.

Send invoice with supporting documentation to:
Los Angeles County Metropolitan Transportation Authority
Accounts Payable
P. O. Box 512296
Los Angeles, CA 90051-0296

Re: LACMTA Project ID# MR306.23 and FA# MOU.MR306.23
Project Manager: Lucy Olmos, MS 99-22-9

4. USE OF FUNDS:

4.1 Grantee shall utilize the Funds to complete the Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines and the specifications for use for the transportation purposes described in the Ordinance and the most recently adopted LACMTA Proposition C Guidelines for the type of Proposition C funds granted by LACMTA hereunder (the "Guidelines").

4.2 Attachment C shall constitute the agreed upon Scope of Work between LACMTA and Grantee for the Project. The Funds, as granted under this FA, can only be used towards the completion of the Scope of Work detailed in Attachment C.

4.3 Grantee shall not use the Funds to substitute for any other funds or projects not specified in this FA. Further, Grantee shall not use the Funds for any expenses or activities above and beyond the approved Scope of Work (Attachment C) without an amendment to the FA approved and signed by the LACMTA Chief Executive Officer or his Designee. To the extent LACMTA provides Grantee with bond or commercial paper proceeds, such Funds may not be used to reimburse for any costs that jeopardize the tax exempt nature of such financings as reasonably determined by LACMTA and its bond counsel.

4.4 Grantee must use the Funds in the most cost-effective manner. If Grantee intends to use a consultant or contractor to implement all or part of the Project, LACMTA requires that such activities be procured in accordance with Grantee's contracting procedures and consistent with State law as appropriate. Grantee will also use the Funds in the most cost-effective manner when the Funds are used to pay "in-house" staff time. Grantee staff or consultant with project oversight roles cannot award work to companies in which they have a financial or personal interest. This effective use of funds provision will be verified by LACMTA through on-going Project monitoring and through any LACMTA interim and final audits.

4.5 If a facility, equipment (such as computer hardware or software), vehicle or property, purchased or leased using the Funds, ceases to be used for the proper use as originally stated in the Scope of Work, or the Project is discontinued, any Funds expended for that purpose must be returned to LACMTA as follows: Grantee shall be required to repay the Funds in proportion to the useful life remaining and in an equal proportion of the grant to Grantee Funding Commitment ratio.

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

verified by LACMTA through on-going Project monitoring and through any LACMTA interim and final audits.

4.7 If the Project requires the implementation of an Intelligent Transportation Systems ("ITS") project, Grantee shall ensure the Project is consistent with the Regional ITS Architecture. ITS projects must comply with the LACMTA Countywide ITS Policy and Procedures adopted by the LACMTA Board of Directors including the submittal of a completed, signed self-certification form. For the ITS policy and form, see http://www.metro.net/projects/call_projects/.

4.8 If any parking facilities are designed and/or constructed using the Funds, Grantee shall coordinate with LACMTA parking program staff (see METRO.net for staff listing) in the planning, design and management of the facility and shall ensure that its implementation is consistent with the LACMTA adopted parking policy. For the parking policy, see http://www.metro.net/projects/call_projects/.

4.9 Grantee is obligated to continue using the Project consistent with the public transportation purposes for which the Project was approved. The Project right-of-way and real property purchased to implement the Project shall remain dedicated to public transportation use. The obligations set forth in this section shall survive termination of this Agreement.

4.10 If Grantee desires to use the Funds to purchase or lease equipment including, without limitation, vehicles, office equipment, computer hardware or software, or other personal property ("Equipment") necessary to perform or provide the services set forth in the Scope of Work, Grantee must obtain LACMTA's written consent prior to purchasing or leasing any Equipment. Equipment purchased or leased without such prior written consent shall be deemed an unallowable expenditure of the Funds. Equipment acquired as part of the Project shall be dedicated to that Project use for their full economic life cycle, including any extensions of that life cycle achieved by reconstruction, rehabilitation, or enhancements.

4.11 If an Equipment ceases to be used for the proper use as originally stated in the Scope of Work, Grantee will be required to return to LACMTA the Funds used to purchase or lease such Equipment in proportion to the useful life remaining and in equal proportion of the Funds to Grantee Funding Commitment ratio. The obligations set forth in this section shall survive termination of this Agreement.

4.12 If any software is developed with the Funds and if Grantee ceases to use the software for public purposes or Grantee sells, conveys, licenses or otherwise transfers the software, LACMTA shall be entitled to a refund or credit, at LACMTA's sole option, equivalent to the amount of the Funds spent developing the software. Such refund or credit shall not be required, subject to LACMTA approval of the intended use, if Grantee reinvests the proceeds of such sale, conveyance, license or transfer into the Project to offset operating or systems management costs. The obligations set forth in this section shall survive termination of this Agreement.

4.13 If any Project facilities or any real property purchased to implement the Project is no longer used or is no longer needed for the Project, including construction easements or excess property, Grantee will be required to return to LACMTA the Funds used to design, construct or acquire such Project facilities or real property in equal proportion of the grant to Grantee Funding Commitment ratio. The obligations set forth in this section shall survive termination of this Agreement.

4.14 If Grantee desires to use any Project facility or any real property purchased to implement the Project to generate revenue, Grantee shall first obtain LACMTA's written consent prior to entering into any such revenue generating arrangement. Grantee shall provide LACMTA with the applicable information regarding the transaction, including without limitation, the property at issue, the proposed use of the property, the amount of revenue, any impact to the Project and the proposed use of the revenue. LACMTA consent may be conditioned on whether bond funds were used, and how Grantee plans to use the revenue, including, without limitation, sharing any net revenues with LACMTA. If Grantee fails to obtain MTA's prior written consent, Grantee shall be considered in default and LACMTA shall have all rights and remedies available at law or in equity, including, without limitation the return of the Funds to cover the cost of the property in question. The obligations set forth in this section shall survive termination of this Agreement.

4.15 Grantee understands that this Agreement does not provide any rights for Grantee to use LACMTA real property needed for the Project. If the Project requires use of LACMTA Property, Grantee will need to enter into a separate agreement with LACMTA in accordance with LACMTA real property policies and procedures. Nothing in this Agreement obligates LACMTA to provide Grantee with any real estate right.

5. REIMBURSEMENT OF FUNDS

Funds will be released on a reimbursement basis in accordance with invoices submitted in support of the Monthly Progress and Quarterly Expenditure Report. LACMTA will make all disbursements electronically unless an exception is requested in writing. Reimbursements via Automated Clearing House (ACH) will be made at no cost to Grantee. Grantee must complete the ACH form and submit such form to LACMTA before grant payments can be made. ACH Request Forms can be found at www.metro.net/projects_studies/call_projects/ref_docs.htm. Grantee must provide detailed supporting documentation with its Monthly Progress and Quarterly Expenditure Report. Grantee Funding Commitment, if any, must be spent in direct proportion to the Funds with each quarter's payment.

6. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS:

6.1 Grantee shall submit the Monthly Progress Report (Attachment D1) within seven (7) days from the last day of each month and submit the Quarterly Expenditure Report (Attachment D2) within sixty (60) days after the close of each quarter on the last day of the months November, February, May and August. Should Grantee fail to submit such reports within 10 days of the due date and/or submit incomplete reports, LACMTA will not reimburse Grantee until the completed required reports are received, reviewed, and approved. The

Monthly Progress and the Quarterly Expenditure Report shall include all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.), and any changes to interim milestone dates that do not impact the final milestone date. All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular quarter, Grantee will still be required to submit the Monthly Progress and Quarterly Expenditure Report indicating no dollars were expended that quarter. If a request for reimbursement exceeds \$500,000 in a single month, then Grantee can submit such an invoice once per month with supporting documentation.

6.2 LACMTA, and/or its designee, shall have the right to conduct audits of the Project, as deemed appropriate, such as financial and compliance audits; interim audits; pre-award audits, performance audits and final audits. LACMTA will commence a final audit within six months of receipt of acceptable final invoice, provided the Project is ready for final audit (meaning all costs and charges have been paid by Grantee and invoiced to LACMTA, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization including actual indirect rates for the period covered by the FA period under review). Grantee agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). Grantee shall reimburse LACMTA for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions of this FA. The allowability of costs for Grantee's own expenditures submitted to LACMTA for this Project shall be in compliance with Office of Management and Budget (OMB) Circular A-87. The allowability of costs for Grantee's contractors, consultants and suppliers expenditures submitted to LACMTA through Grantee's Monthly Progress Reports and Quarterly Expenditures shall be in compliance with OMB Circular A-87 or Federal Acquisition Regulation (FAR) Subpart 31 (whichever is applicable). Findings of the LACMTA audit are final. When LACMTA audit findings require Grantee to return monies to LACMTA, Grantee agrees to return the monies within thirty (30) days after the final audit is sent to Grantee.

6.3 Grantee's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by LACMTA to substantiate charges related to the Project (all collectively referred to as "records") shall be open to inspection and subject to audit and reproduction by LACMTA auditors or authorized representatives to the extent deemed necessary by LACMTA to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records deemed necessary by LACMTA to evaluate and verify, direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by Grantee for three years following final payment under this Agreement. Payment of retention amounts shall not occur until after the LACMTA's final audit is completed.

6.4 Grantee shall cause all contractors to comply with the requirements of Part II, Section 5, paragraphs 6.2 and 6.3 above. Grantee shall cause all contractors to

cooperate fully in furnishing or in making available to LACMTA all records deemed necessary by LACMTA auditors or authorized representatives related to the Project.

6.5 LACMTA or any of its duly authorized representatives, upon reasonable written notice shall be afforded access to all of the records of Grantee and its contractors related to the Project, and shall be allowed to interview any employee of Grantee and its contractors through final payment to the extent reasonably practicable.

6.6 LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall have access to the offices of Grantee and its contractors, shall have access to all necessary records, including reproduction at no charge to LACMTA, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this FA.

6.7 When business travel associated with the Project requires use of a vehicle, the mileage incurred shall be reimbursed at the mileage rates set by the Internal Revenue Service, as indicated in the United States General Services Administration Federal Travel Regulation, Privately Owned Vehicle Reimbursement Rates.

6.8 Grantee shall be responsible for ensuring all contractors/ subcontractors for the Project comply with the terms of the Ordinance. Grantee shall cooperate with LACMTA Audit Department such that LACMTA can meet its obligations under the Ordinance.

6.9 Grantee shall certify each invoice by reviewing all subcontractor costs and maintaining internal control to ensure that all expenditures are allocable, allowable and reasonable and in accordance with OMB A-87 or FAR subparagraph 31 (whichever is applicable) and the terms and conditions of this FA.

6.10 Grantee shall also certify final costs of the Project to ensure all costs are in compliance with OMB A-87 or FAR subparagraph 31 (whichever is applicable) and the terms and conditions of this FA.

6.11 In addition to LACMTA's other remedies as provided in this FA, LACMTA may withhold the Funds if the LACMTA audit has determined that Grantee failed to comply with the Scope of Work (such as misusing Funds or failure to return Funds owed to LACMTA in accordance with LACMTA audit findings) and /or is severely out of compliance with other terms and conditions as defined by this FA, including the access to records provisions of Part II, Section 6.

7. GRANT

This is a one time only grant of the Measure R and Prop C Funds are subject to the terms and conditions agreed to herein. This grant does not imply nor obligate any future funding commitment on the part of LACMTA.

8. SOURCES AND DISPOSITION OF FUNDS:

8.1 The obligation for LACMTA to grant the Funds for the Project is subject to sufficient Funds being made available for the Project by the LACMTA Board of Directors. If such Funds are not made available as anticipated from Measure R Program revenues, LACMTA will have the right to adjust the cash flow accordingly until such funds become available. LACMTA shall have no obligation to provide any other funds for the Project, unless otherwise agreed to in writing by LACMTA.

8.2 Grantee shall fully fund and contribute the Grantee Funding Commitment, if any is identified in the Project Funding (Attachment A), towards the cost of the Project. If the Funds identified in Attachment A are insufficient to complete the Project, Grantee may request additional Measure R funds from its sub-region earmark pending support of the sub-region's Governing Board, the Gateway Cities Council of Governments (GCCOG). A particular sub-region's Measure R funds are limited to the amount specified in the Ordinance and is still subject to approval of the LACMTA Board. Nothing in this FA shall obligate, or be construed to obligate the LACMTA Board to approve such request for additional funds. If the Funds are still insufficient to complete the Project, Grantee agrees to secure and provide such additional non-LACMTA programmed funds necessary to complete the Project.

8.3 Grantee shall be responsible for any and all cost overruns for the Project pursuant to Section 8.2.

8.4 Grantee shall be eligible for the Funds up to the grant amount specified in Part I, Section 2 of this FA subject to the terms and conditions contained herein. Any Funds expended by Grantee prior to the execution of this FA (prior to the LACMTA Chief Executive Officer's signature) shall not be reimbursed nor shall they be credited toward the Grantee Funding Commitment requirement, without the prior written consent of LACMTA. Grantee Funding Commitment dollars expended prior to the year the Funds are awarded shall be spent at Grantee's own risk.

8.5 If Grantee receives outside funding for the Project in addition to the Funds identified in the Project Funding and the Expenditure Plan at the time this grant was awarded, this FA shall be amended to reflect such additional funding. If, at the time of final invoice or voucher, funding for the Project (including the Funds, Grantee Funding Commitment, and any additional funding) exceeds the actual Project costs, then the cost savings shall be applied in the same proportion as the sources of funds from each party to this FA as specified in the Project Funding and both the Funds and Grantee Funding Commitment required for the Project shall be reduced accordingly.

9. TIMELY USE OF FUNDS / REPROGRAMMING OF FUNDS:

9.1 Grantee must demonstrate timely use of the Funds by:

- (i) executing this FA within ninety (90) days of receiving formal transmittal of the FA from LACMTA, or by December 31 of the

- first Fiscal Year in which the Funds are programmed, whichever date is later; and
- (ii) Project Design, Preliminary Engineering-(PE) must begin within six (6) months from completion of environmental clearance, if appropriate.
 - (iii) Project Development or Right-of-Way costs must be expended (including by deposit into a condemnation action) by the end of the second (2nd) fiscal year following the year the Funds were first programmed; and
 - (iv) Contracts for Construction or Capital purchase shall be executed within twelve (12) months from the date of completion of design; and
 - (v) Work shall be delivered in accordance with schedule; changes to the schedule will require an Amendment to Attachment C to reflect updated milestone dates. Meeting the Project milestones due dates as agreed upon by the LACMTA and Grantee in Attachment C (Scope of Work) of this FA.
 - (vi) submitting the Monthly Progress and Quarterly Expenditure Report as described in Part II, Section 6.1 of this FA; and
 - (vii) expending the Proposition 25% funds granted under this FA for allowable costs within three years or 36 months; Proposition C 25% Funds programmed for FY 2007-08, FY 2009-10, and FY 2011-12 are subject to lapse by June 30, 2014; and
 - (viii) expending the Measure R Funds granted under this FA for allowable costs within five years or 60 months from July 1 of the Fiscal Year in which the Funds are programmed, unless otherwise stated in this FA. Measure R Funds programmed in FY 2014-15 are subject to lapse by June 30, 2020. Measure R Funds programmed in FY 2015-16 are subject to lapse by June 30, 2021.

9.2 In the event that the timely use of the Funds is not demonstrated as described in Part II, Section 9.1 of this FA, the Project will be reevaluated by LACMTA as part of its annual Call for Projects Recertification/Deobligation process and the Funds may be reprogrammed to another project by the LACMTA Board of Directors in accordance with the Ordinance, which may require that any reprogrammed funds be returned to the sub-region. In the event that all the Funds are reprogrammed, this FA shall automatically terminate.

10. DEFAULT:

A Default under this FA is defined as any one or more of the following: (i) Grantee fails to comply with the terms and conditions contained herein; or (ii) Grantee fails to perform satisfactorily or makes a material change, as determined by LACMTA at its sole discretion, to the Expenditure Plan, the Scope of Work, or the Project Funding without LACMTA's prior written consent or approval as provided herein.

11. REMEDIES:

11.1 In the event of a Default by Grantee, LACMTA shall provide written notice of such Default to Grantee with a 30-day period to cure the Default. In the event Grantee fails to cure the Default, or commit to cure the Default and commence the same within such 30-day period to the satisfaction of LACMTA, LACMTA shall have the following remedies: (i) LACMTA may terminate this FA; (ii) LACMTA may make no further disbursements of Funds to Grantee; and/or (iii) LACMTA may recover from Grantee any Funds disbursed to Grantee as allowed by law or in equity.

11.2 Effective upon receipt of written notice of termination from LACMTA, Grantee shall not undertake any new work or obligation with respect to this FA unless so directed by LACMTA in writing. Any Funds expended after termination shall be the sole responsibility of Grantee.

11.3 The remedies described herein are non-exclusive. LACMTA shall have the right to enforce any and all rights and remedies herein or which may be now or hereafter available at law or in equity.

12. COMMUNICATIONS:

12.1 Grantee shall ensure that all Communication Materials contain recognition of LACMTA's contribution to the Project as more particularly set forth in "Funding Agreement Communications Materials Guidelines" available on line or from the LACMTA Project Manager. Please check with the LACMTA Project Manager for the web address. The Funding Agreement Communications Materials Guidelines may be changed from time to time during the course of this Agreement. Grantee shall be responsible for complying with the latest Funding Agreement Communications Materials Guidelines during the term of this Agreement, unless otherwise specifically authorized in writing by the LACMTA Chief Communications Officer.

12.2 For purposes of this Agreement, "Communications Materials" include, but are not limited to, press events, public and external newsletters, printed materials, advertising, websites radio and public service announcements, electronic media, and construction site signage. A more detailed definition of "Communications Materials" is found in the Funding Agreement Communications Materials Guidelines.

12.3 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines. These guidelines and logo files including scalable vector files will be available through the LACMTA Project Manager.

12.4 Grantee shall ensure that any subcontractor, including, but not limited to, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials for public and external purposes will comply with the requirements contained in this Section.

12.5 The LACMTA Project Manager shall be responsible for monitoring Grantee compliance with the terms and conditions of this Section. Grantee failure to comply with the terms of this Section shall be deemed a default hereunder and LACMTA shall have all rights and remedies set forth herein.

13. OTHER TERMS AND CONDITIONS:

13.1 This FA, along with its Attachments, constitutes the entire understanding between the parties, with respect to the subject matter herein. The FA shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties who agreed to the original FA or the same level of authority.

13.2 Grantee is obligated, to continue using the Project dedicated to the public transportation purposes for which the Project was initially approved. The Project right-of-way, the Project facilities constructed or reconstructed on the Project site, and/or Project property purchased excluding construction easements and excess property (whose proportionate proceeds shall be distributed in an equal proportion of the grant to Grantee Funding Commitment ratio) shall remain dedicated to public transportation use in the same proportion and scope and to the same extent as described in this FA. Equipment acquired as part of the Project, including office equipment, vehicles, shall be dedicated to that use for their full economic life cycle, including any extensions of that life cycle achieved by reconstruction, rehabilitation, or enhancements.

13.3 In the event that there is any legal court (e.g., Superior Court of the State of California, County of Los Angeles, or the U.S. District Court for the Central District of California) proceeding between the parties to enforce or interpret this FA, to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

13.4 Neither LACMTA nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by Grantee under or in connection with any work performed by and or service provided by Grantee, its officers, agents, employees, contractors and subcontractors under this FA. Grantee shall fully indemnify, defend and hold LACMTA and its subsidiaries, and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever arising out of the Project, including without limitation: (i) use of the Funds by Grantee, or its officers, agents, employees, contractors or subcontractors; (ii) breach of Grantee's obligations under this FA; or (iii) any act or omission of Grantee, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of the services, in connection with the Project including, without limitation, the Scope of Work, described in this FA.

13.5 Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented

or delayed by unforeseen causes including acts of God, acts of a public enemy, and government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this FA.

13.6 Grantee shall comply with and insure that work performed under this FA is done in compliance with Generally Accepted Accounting Principles (GAAP), all applicable provisions of federal, state, and local laws, statutes, ordinances, rules, regulations, and procedural requirements including Federal Acquisition Regulations (FAR), and the applicable requirements and regulations of LACMTA. Grantee acknowledges responsibility for obtaining copies of and complying with the terms of the most recent federal, state, or local laws and regulations, and LACMTA requirements including any amendments thereto.

13.7 Grantee agrees that the applicable requirements of this FA shall be included in every contract entered into by Grantee or its contractors relating to work performed under this FA and LACMTA shall have the right to review and audit such contracts.

13.8 Grantee shall not assign this FA, or any part thereof, without prior approval of the LACMTA Chief Executive Officer or his designee, and any assignment without said consent shall be void and unenforceable.

13.9 This FA shall be governed by California law. If any provision of this FA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

13.10 The covenants and agreements of this FA shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assigns.

13.11 If any software/Intelligent Transportation Systems ("ITS") is developed with the Funds and if Grantee ceases to use the software/ITS for public purposes or Grantee sells, conveys, licenses or otherwise transfers the software/ITS, LACMTA shall be entitled to a refund or credit, at LACMTA's sole option, equivalent to the amount of the Funds spent developing the software/ITS. Such refund or credit shall not be required, subject to LACMTA approval of the intended use, if Grantee reinvests the proceeds of such sale, conveyance, license or transfer into the Project to offset operating or systems management costs.

13.12 Implementation of any ITS project shall be consistent with the Regional ITS Architecture. ITS projects must comply with the LACMTA Countywide ITS Policy and Procedures adopted by the LACMTA Board of Directors including the submittal of a completed, signed self-certification form in the form of Attachment F-1. For the ITS policy and form, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.13 If any parking facilities are designed and/or constructed using the Funds, Grantee shall coordinate with LACMTA parking program staff (see METRO.net for

staff listing) in the planning, design and management of the facility and shall ensure that its implementation is consistent with the LACMTA adopted parking policy. For the parking policy, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.14 Grantee will advise LACMTA prior to any key Project staffing changes.

13.15 Notice will be given to the parties at the address specified in Part I, unless otherwise notified in writing of change of address.

13.16 Grantee in the performance of the work described in this FA is not a contractor nor an agent or employee of LACMTA. Grantee attests to no organizational or personal conflicts of interest and agrees to notify LACMTA immediately in the event that a conflict, or the appearance thereof, arises. Grantee shall not represent itself as an agent or employee of LACMTA and shall have no powers to bind LACMTA in contract or otherwise.

ATTACHMENT A -PROJECT FUNDING

Measure R Program & Prop C- Funding Agreement Projects - FA # MOU.MR306.23/F1107

Project Title: Washington Blvd. Widening and Reconstruction Project#: MR306.23/F1107

PROGRAMMED BUDGET - SOURCES OF FUNDS

SOURCES OF FUNDS	PRIOR YEARS	FY2013-14	FY2014-15	FY205-16	FY2016-17	FY2017-18	FY2018-19	Total Budget	% of Budget
LACMTA PROGRAMMED FUNDING									
MEASURE R FUNDS			\$2,500,000	\$1,000,000				\$3,500,000	
MEASURE R FUNDS SUBTOTAL			\$2,500,000	\$1,000,000	\$0	\$0	\$0	\$3,500,000	11%
CFP FUNDS	\$13,362,000							\$13,362,000	
CFP FUNDS SUBTOTAL	\$13,362,000		\$0	\$0	\$0	\$0	\$0	\$13,362,000	42%
LACMTA PROGRAMMED FUNDS BY YEAR SUBTOTAL	\$13,362,000		\$2,500,000	\$1,000,000	\$0	\$0	\$0	\$16,862,000	
OTHER SOURCES OF FUNDING:									
LOCAL:									
City General Fund	\$7,028,000							\$7,028,000	22%
STATE:									
TCIF	\$5,800,000							\$5,800,000	18%
FEDERAL:									
SAFETEA-LU HPP 3085	\$2,220,000							\$2,220,000	7%
SAFETEA-LU Match	\$90,000							\$90,000	
OTHER FUNDING SUBTOTAL	\$15,138,000	\$0	\$0	\$0	\$0	\$0	\$0	\$15,138,000	
TOTAL PROJECT FUNDS	\$28,500,000	\$0	\$2,500,000	\$1,000,000	\$0	\$0	\$0	\$32,000,000	100%

ATTACHMENT B1 - EXPENDITURE PLAN COST & CASH FLOW BUDGET
 Measure R Program - Funding Agreement Projects - FA # MOU.MR306.23/F1107
 Project Title: Washington Blvd. Widening & Reconstruction Project
 Project#:MR306.23/F1107
PROGRAMMED SOURCES OF FUNDS

SOURCE OF FUNDS	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:										
MEASURE R FUNDS:										
RW Support		\$50,000	\$50,000							\$100,000
Const. Support		\$50,000	\$50,000	\$50,000	\$50,000	\$100,000	\$100,000	\$50,000	\$50,000	\$500,000
RW		\$500,000		\$500,000						\$1,000,000
Construction		\$400,000		\$500,000		\$500,000	\$200,000	\$200,000	\$100,000	\$1,900,000
Total MEASURE R		\$1,000,000	\$100,000	\$1,050,000	\$50,000	\$600,000	\$300,000	\$250,000	\$150,000	\$3,500,000
PROP C 25%										
PS&E	\$500,000									\$500,000
RW Support	\$500,000									\$500,000
Const. Support	\$1,200,000									\$1,200,000
RW	\$1,000,000									\$1,000,000
Construction	\$10,162,000									\$10,162,000
Total PROP C 25%	\$13,362,000									\$13,362,000
SUM PROG LACMTA FUNDS:	\$13,362,000	\$1,000,000	\$100,000	\$1,050,000	\$50,000	\$600,000	\$300,000	\$250,000	\$150,000	\$16,862,000
OTHER NON-LACMTA FUNDING:										
LOCAL:										
PAED	\$96,000									\$96,000
PS&E	\$136,271									\$136,271
RW Support	\$136,271									\$136,271
Const. Support	\$90,000									\$90,000
RW	\$835,500									\$835,500
Construction	\$5,823,958									\$5,823,958
Total LOCAL%	\$7,118,000									\$7,118,000
STATE:										
Construction	\$5,800,000									\$5,800,000
Total STATE%	\$5,800,000									\$5,800,000
FEDERAL:										
RW	\$1,260,000									\$1,260,000
Construction	\$960,000									\$960,000
Total FEDERAL%	\$2,220,000									\$2,220,000
SUM NON-LACMTA FUNDS:	\$15,138,000									\$15,138,000
PROJECT FUNDING:										
FY15 - FY16	\$2,500,000	\$1,000,000	\$100,000	\$1,050,000	\$50,000	\$600,000	\$300,000	\$250,000	\$150,000	\$32,000,000

FTIP #: LAE3085
 Measure R & Prop C Funding Agreement

Project#: MR306.23/F1107
 FA: #MOU.MR306.23

SUMMARY OF ALL FUNDS										
PAED	\$96,000									\$96,000
PS&E	\$636,271									\$636,271
RW Support	\$636,271	\$50,000	\$50,000							\$736,271
Const. Support	\$1,290,000	\$50,000	\$50,000	\$50,000	\$50,000	\$100,000	\$100,000	\$50,000	\$50,000	\$1,790,000
RW	\$3,095,500	\$500,000		\$500,000						\$4,095,500
Construction	\$22,745,958	\$400,000		\$500,000		\$500,000	\$200,000	\$200,000	\$100,000	\$24,645,958
TOTAL MILESTONES	\$27,263,000	\$1,000,000	\$100,000	\$1,050,000	\$50,000	\$600,000	\$300,000	\$250,000	\$150,000	\$32,000,000
SUM PROG LACMTA FUNDS	\$16,862,000	\$1,000,000	\$100,000	\$1,050,000	\$50,000	\$600,000	\$300,000	\$250,000	\$150,000	\$16,862,000
SUM NON-LACMTA FUNDS	\$15,138,000									\$15,138,000
TOTAL PROJECT FUNDING	\$32,000,000									\$32,000,000

**ATTACHMENT C
SCOPE OF WORK**

**DEVELOP PROJECT, DESIGN, AND RIGHT-OF-WAY
FOR THE
CITY OF COMMERCE**

PROJECT TITLE: WASHINGTON BOULEVARD WIDENING & RECONSTRUCTION PROJECT

PROJECT LOCATION:

The project is located in the City of Commerce, in the Gateway Cities area.

PROJECT LIMITS:

This project limits are Washington Boulevard from Route 5 on the east to just west of Indiana Street (I-710 Freeway).

PROJECT PURPOSE:

Washington Boulevard operates at LOS F. Truck traffic has contributed to the deterioration/damage of the roadways, medians and curbs. The existing asphalt pavement is in critical condition, and hazards exist where truck weight has created channels (rutting) in the roadway.

PROJECT BACKGROUND:

Washington Blvd is a designated truck route and is a key link in the regional movement of goods from the Ports of Los Angeles and Long Beach to the intermodal terminals of the UP and BNSF rail yards in the Cities of Commerce and Vernon.

PROJECT SCOPE:

Widen and reconstruct Washington Blvd by one additional lane in each direction, increase turning radii/shorten medians, reconstruct AC pavement with 10" thick PPC per PSR Soils Report, reconstruct railroad grade crossing at Commerce Way, update traffic signals/street lighting and improve sidewalks.

PROJECT COST ESTIMATE:

Pre-Design	\$39,000
Design	\$2,044,000
Right of Way Engineering	\$2,678,000
Right of Way Acquisition	\$1,000,000
Project Coordination & Development	\$26,239,000
Total Project Cost	\$32,000,000

FTIP #: LAE3085
 Measure R & Prop C Funding Agreement

Project#: MR306.23/F1107
 FA: #MOU.MR306.23

PROJECT BUDGET:

METRO	\$16,862,000
GRANTEE	\$7,028,000
OTHER FUNDING	\$8,110,000
Total	\$32,000,000

Proposed Milestones: The proposed implementation schedule for this project will be as follows:

MILESTONE:

	START DATE	COMPLETE DATE
Pre-Design	2/1/2008	7/1/2010
Design	10/1/2010	
Environmental	2/1/2008	6/1/2010
Right of Way	11/15/2010	1/31/2014
Right of Way Acquisition	11/15/2010	1/31/2014
Construction		12/31/2015

ATTACHMENT D
REPORTING & EXPENDITURE GUIDELINES

REPORTING PROCEDURES

- Quarterly Progress/Expenditure Report (Attachment D1) is required for all projects. The Grantee shall be subject to and comply with all applicable requirements of the funding agency regarding project-reporting requirements. In addition, Grantee will submit a quarterly report to the LACMTA at P.O. Box 512296, Los Angeles, CA 90051-0296. Please note that letters or other forms of documentation may not be substituted for this form.
- The Quarterly Progress/Expenditure Report covers all activities related to the project and lists all costs incurred. It is essential that Grantee provide complete and adequate response to all the questions. The expenses listed must be supported by appropriate documentation with a clear explanation of the purpose and relevance of each expense to the project. Expenses must reflect the proportionate share of local match, including in-kind, charged to the grant.
- In cases where there are no activities to report, or problems causing delays, clear explanation, including actions to remedy the situation, must be provided.
- Grantees are required to track and report on the project schedule. LACMTA will monitor the timely use of funds and delivery of projects. Project delay, if any, must be reported each quarter. Projects not delivered in a timely manner will be reevaluated by LACMTA as part of the annual Call for Projects Recertification process and the Funds may be deobligated and reprogrammed by the LACMTA Board.
- The Quarterly Progress/Expenditure Report is due to the LACMTA as soon as possible after the close of each quarter, but no later than the following dates for each fiscal year:

<u>Quarter</u>	<u>Report Due Date</u>
July –September	November 30
October - December	February 28
January - March	May 31
April - June	August 31

Upon completion of the Project a final report that includes project's final evaluation must be submitted.

EXPENDITURE GUIDELINES

- Any activity or expense charged above and beyond the approved Scope-of-Work (LOA Attachment C), **is considered ineligible** and will not be reimbursed by the LACMTA unless **prior written authorization** has been granted by the LACMTA Chief Executive Officer or his designee.
- Any expense charged to the grant or local match, including in-kind, must be clearly and directly related to the project.
- Any activity or expense charged as local match cannot be applied to any other LACMTA-funded or non-LACMTA-funded projects; activities or expenses related to a previously funded project cannot be used as local match for the current project.
- Administrative cost is the ongoing expense incurred by the Grantee for the duration of the project and for the direct benefit of the project as specified in the Scope-of-Work (Attachment C). Examples of administrative costs are personnel, office supplies, and equipment. As a condition for eligibility, all costs must be necessary for maintaining, monitoring, coordinating, reporting and budgeting of the project. Additionally, expenses must be reasonable and appropriate to the activities related to the project.
- LACMTA is not responsible for, and will not reimburse any costs incurred by the Grantee prior to the execution of the LOA, unless **written authorization** has been granted by the LACMTA Chief Executive Officer or her designee.
- The LOA is considered executed when the LACMTA Chief Executive Officer or her designee signs the document.

DEFINITIONS

- **Local Participation:** Where local participation consists of "in-kind" contributions rather than funds, the following contributions may be included:
 - Costs incurred by a local jurisdiction to successfully complete the project. Examples include engineering, design, rights-of-way purchase, and construction management costs.
 - Donations of land, building space, supplies, equipment, loaned equipment, or loaned building space dedicated to the project.
 - Donations of volunteer services dedicated to the project.
 - A third-party contribution of services, land, building space, supplies or equipment dedicated to the project.

- **Allowable Cost:** To be allowable, costs must be reasonable, recognized as ordinary and necessary, consistent with established practices of the organization, and consistent with industry standard of pay for work classification.
- **Excessive Cost:** Any expense deemed "excessive" by LACMTA staff would be adjusted to reflect a "reasonable and customary" level. For detail definition of "reasonable cost", please refer to the Federal Register *OMB Circulars A-87 Cost Principals for State and Local Governments; and A-122 Cost Principals for Nonprofit Organizations*.
- **In-eligible Expenditures:** Any activity or expense charged above and beyond the approved Scope-of-Work is considered in eligible.

ATTACHMENT D1

LACMTA
 ATTACHMENT D1
 PROJECT TITLE:
 MONTHLY PROGRESS REPORT

Invoice #	
Invoice Date	
FY#	
Monthly Report #	

GRANTEES ARE REQUESTED TO MAIL THIS REPORT TO
 P.O. Box 551238, Los Angeles, CA 90051-0238 after the close
 of each month. Please note that reports are due on the 15th
 of each month. Reports may not be submitted to the State, State for
 Reporting and Expenditure Compliance (SAR/SEEC), or for other purposes.

PROJECT TITLE: _____

FAR: _____

MONTHLY REPORT SUBMITTED FOR: Month: _____ Year: _____

DATE SUBMITTED: _____

LACMTA Area Team Representative / Project Mgr.	Name	
	Organization	
	Phone Number	
	e-mail	
GRANTEE Contact / Project Manager	Contact Name	
	Job Title	
	Department	
	City/Agency	
	Home Address	
	Phone Number	
	e-mail	

SECTION 3 - MONTHLY REPORTING
3.1 - OBLIGATIONS & MILESTONES

Use of this report is limited to activities in the FA with start and end dates. DO NOT CHANGE THE ORIGINAL FA MILESTONE START AND END DATES BELOW.

Complete this report monthly. If you are reporting a change in the original FA Start or End Date, you must provide the date for the change in the "Actual Start Date" or "Actual End Date" column. If an activity has not occurred since the original start date, then leave the "Original FA Start" and "Original FA End" columns blank.

FA Milestone	Original FA Start Date in Scope of Work (Month/Year)	Original FA End Date in Scope of Work (Month/Year)	LACMTA Approved Changes (Months)	LACMTA Approved Completion Schedule (Months)	Actual Start Date (Month/Year)	Actual End Date (Month/Year)	Percent Completed By Time	Current Completion Forecast (Month/Year)	Schedule Variance (Month/Year)
QUALIFICATION (RFP/PROPOSAL)									
Develop RFP/Proposal									
Receive RFP/Proposal									
Selection									
Final Approval									
Contract Award									
Final Contract									
PLANNING									
Prepare Concept Report									
Prepare Preliminary Study									
Prepare Project Study Report									
Intelligent Transportation									
Feasibility Study									
Concept Development									
OTHER (Phase specific)									
Preliminary Design									
Finalize Design and System Plans									
Prepare Preliminary Construction									
Prepare Project Cost Estimate									
Intelligent Transportation									
Concept of Operations									
System Requirements									
High Level Design									
PAID									
Prepare Interim Report									
Survey									
Technical Studies									
Web Environment									
IT of Environment									
Community Outreach									
Secure Project Approval									
Intelligent Transportation									
Categorical Exemption									
OTHER (Phase specific)									
30% PERM									
Preliminary Design									
Finalize Design and System Plans									
Prepare Preliminary Construction									
Prepare Project Cost Estimate									
Intelligent Transportation									
Concept of Operations									
System Requirements									
High Level Design									
60% PERM									
Preliminary Design									
Finalize Design and System Plans									
Prepare Preliminary Construction									
Prepare Project Cost Estimate									
Intelligent Transportation									
Concept of Operations									
System Requirements									
High Level Design									
90% PERM									
Preliminary Design									
Finalize Design and System Plans									
Prepare Preliminary Construction									
Prepare Project Cost Estimate									
Intelligent Transportation									
Concept of Operations									
System Requirements									
High Level Design									
100% PERM									
Preliminary Design									
Finalize Design and System Plans									
Prepare Preliminary Construction									
Prepare Project Cost Estimate									
Intelligent Transportation									
Concept of Operations									
System Requirements									
High Level Design									
Final Review & Close-out									

2. PROJECT COMPLETION
 Based on the comparison of the original and actual project schedule or timeline attached, project is (select only one)

Ahead of original FA schedule Less than 12 months behind original schedule
 Within 12 months of FA schedule More than 12 months behind original schedule
 Between 12 to 24 months behind original schedule

3. TRACK THE PROJECTS PROGRESS
 List links to resources demonstrating if and progress made this month.

If project is delayed, describe reasons for delay (this month). Pay particular attention to schedule delays. If delay is for the same reason as mentioned in previous reports, please indicated by writing "Same as Previous Month"

4. ACTION PLAN TO CORRECT DELAYS
 If the project is delayed (as described by 3B), identify action items that have been or will be undertaken to resolve the delay.

Item(s)	Targeted Resolution/Response Date

5. COST SUMMARY

FA #/Address	Project Budget	LACMTA Approved Changes	Current Approved Budget	Expenditures to Date	Estimate At Completion	Cost Variance (E)	Cost Variance	Percent Completed By Dollar Amount
PLANNING								
DESIGN								
PERMITS								
ROW Support								
ROW								
CONSTRUCTION Support								
CONSTRUCTION								

7. RISK MANAGEMENT PLAN (RMP) RISK REGISTER
 This Risk Register shall include a listing of potential project risks, identify project risks and provide a description of individual risk events or required events that may occur and the estimated outcome or impact to project design, cost and schedule; provide a qualitative assessment of risk potential; identify risk mitigation strategies, and provide resource solutions or actions for responding to project risk. This register requires periodic updates as the project progresses and as risk events occur.

Risk Category	Risk Event	Risk Potential (Low/Medium/High)	Risk Mitigation Strategies	Action	Outcomes
Procurement Planning					
Design					
ROW					
Construction					
Right-of-Way					
Third Party					

I certify that I am the responsible Project Manager or fiscal officer and representative of _____ and that to the best of my knowledge and belief the risk register report is true and correct.

Signature: _____ Title: _____

Name: _____ Title: _____

FTIP #: LAE3085
 Measure R & Prop C Funding Agreement

Project#: MR306.23/F1107
 FA: #MOU.MR306.23

ATTACHMENT D2

LACMTA
 ATTACHMENT D2
 PROJECT TITLE:
 QUARTERLY EXPENDITURE REPORT

Invoice Information	
Invoice #	
Invoice Date	
FA#	
Quarterly Report #	

GRANTEES ARE REQUESTED TO MAIL THIS REPORT TO
P.O. Box #512296, Los Angeles, CA 90051-0296 after the close
 of each quarter, but no later than November 30, February 28,
May 31 and August 31. Please note that letters or other forms
 of documentation may not be substituted for this form. Refer to the
 Reporting and Expenditure Guidelines (Attachment D) for further information.

SECTION 5 - QUARTERLY EXPENDITURES

Please itemize grant-related charges for this Quarter on Page 5 of this report and include totals in this Section.

	LACMTA Measure R Grant \$	LACMTA Prop C 29% \$	Other Funding %	Total \$
Project Quarter Expenditures				
This Quarter Expenditure				0
Retention Amount				0
Net Invoice Amount (Less Retention)				0
Project Total Expenditures				
Funds Expended to Date (include this Quarter)				0
Total Project Budget				0
% of Project Budget Expended to Date				0
Balance Remaining				0

SECTION 3: PROGRESS REPORT
1. TASKS/ MILESTONES ACCOMPLISHED

List tasks or milestones accomplished and progress made this quarter.

2. PROJECT DELAY
If project is delayed, describe reasons for delay (this quarter). Pay particular attention to schedule delays. If delay is for the same reason as mentioned in previous quarters, please indicate by writing "Same as Previous Quarter".

3. ACTION ITEMS TO RESOLVE DELAY
If the project is delayed (as described in #4), include action items that have been, or will be, undertaken to resolve the delay.

SECTION 4 ITEMIZED LISTING OF EXPENSES AND CHARGES THIS QUARTER

All expenses and charges, including grant and local match, must be itemized and listed below. Each item listed must be verifiable by an invoice and/or other proper documentation. The total amounts shown here must be equal to this quarter's expenditures.

Line Item	Invoice Number	Description of Expense/Charge	Amount	Local Match	Total
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
TOTAL					

- Notes:**
- Local match spent in each quarter, must be in the appropriate proportion to LACMTA grant.
 - All receipts, invoices, and time sheets, attached and included with this Expense Report must be listed and shown under the Invoice Number column of the Itemized Listing (above).

Invoice Payment Information:
 LACMTA will make all disbursements electronically unless an exception is requested in writing.
 ACH Payments require that you complete an ACH Request Form and fax it to Accounts Payable at 213-922-6107.
 ACH Request Forms can be found at www.metro.net/callforprojects.
 Written exception requests for Check Payments should be completed and faxed to Accounts Payable at 213-922-6107.

I certify that I am the responsible Project Manager or fiscal officer and representative of _____ and that to the best of my knowledge and belief the information stated in this report is true and correct.

Signature _____ Date _____
 Name _____ Title _____

ATTACHMENT E: FTIP

Los Angeles Metropolitan Transportation Authority
 2013 Federal Transportation Improvement Program (\$000)

PHASE	PROR	12/13	13/14	14/15	15/16	16/17	17/18	BEYOND	TOTAL
GTY - City Funds									
PE	\$178	\$0	\$0						\$178
RW	\$3,798	\$0	\$0						\$3,798
CON	\$3,188	\$2,788	\$877						\$6,853
DEMOBIL - Demobilization - FTIP									
PE	\$482								\$482
RW									
CON									
DEMOBIL - Demobilization - STATE FUND									
PE	\$1,740								\$1,740
RW	\$480								\$480
CON									
LCF - Local Transportation									
PE	\$0								\$0
RW									
CON									
LCF - Low Angeles County Proposition 132									
PE	\$77	\$0	\$0						\$77
RW									
CON	\$5,978	\$8,884	\$1,275						\$16,137
TCF - State Bond - Traffic Control Program									
PE	\$0								\$0
RW	\$0								\$0
CON	\$5,800								\$5,800
TOTAL PE: \$2,995 TOTAL RW: \$3,878 TOTAL CON: \$23,737									

- Several Comments Due to completion of development of EIS EIR.
 - Meeting Comments:
 - TOB Checked: no change
 - Narrative: Project cost stays the same
 Changed Environmental Document
 - Base "DRAFT ENVIRONMENTAL IMPACT STATEMENT" to "FINAL ENVIRONMENTAL IMPACT REPORT"
 Review Funds Between Fiscal Years
DEMOBIL
 - Delete Funds in 10/11 in EMO for \$1,740, ROW for \$480
 - Add Funds in 12/13 in EMO for \$1,740, ROW for \$480
TCF
 - Delete Funds in 11/17 in CON for \$8,900
 - Add Funds in 12/13 in CON for \$8,900
 Total cost remains the same at \$32,000

Request Adoption 13-00 - APPROVED Change reason: Carry Over, SCHEDULE DELAY Total Cost \$32,000

**ATTACHMENT F
SPECIAL GRANT CONDITIONS**

LACMTA has asked the Gateway Cities Council of Governments (GCCOG) to provide program administration and project development and oversight over the Project in conjunction with LACMTA. In order to do so, the GCCOG shall obtain a copy from LACMTA or through LACMTA's Project Database of each Monthly Progress Report (Attachment D1) and Quarterly Expenditure Report (Attachment D2) at the time Grantee submits the reports to LACMTA. The GCCOG, through the Monthly Progress Reports, shall monitor progress of the Project schedule and budget and provide periodic reports to LACMTA on the status of the Project. The GCCOG shall also monitor and report to LACMTA on overall program-level schedule and budget to identify and evaluate any problems that may result in Project delays or cost overruns.

The Monthly Progress Reports (Attachment D1) shall include, but are not limited to, Project progress, use of funds during the previous month, the milestones progress vs. costs, risk management plan, expenditures to date, funds committed and forecast at completion, updated Project schedule vs. Project baseline and identifying any major problems and proposed solutions. If a potential cost overrun is identified, the monthly report must detail the cost overrun and provide a recovery proposal.

The Quarterly Expenditure Reports (Attachment D2) provided by the Grantee to LACMTA shall be used by the GCCOG for monitoring and reporting program expenditures to LACMTA.

For modifications that affect the terms of this FA, such as changes to project funding, scope or schedule, Grantee must obtain evidence of GCCOG concurrence to modifications before formally requesting LACMTA for an amendment to this FA in writing.

ATTACHMENT G BOND REQUIREMENTS

The provisions of this Attachment I apply only if and to the extent some or all of the Funds are derived from LACMTA issued Bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the "Bonds").

GRANTEE acknowledges that some or all of the Funds may be derived from Bonds, the interest on which is tax-exempt for federal tax purposes or with respect to which LACMTA receives a Federal subsidy for a portion of the interest cost or the investor receives a tax credit. GRANTEE further acknowledges its understanding that the proceeds of the Bonds are subject to certain ongoing limitations relating to the use of the assets financed or provided with such proceeds ("Project Costs" or "Project Components") in the trade or business of any person or entity other than a governmental organization (any such use by a person or entity other than a governmental organization is referred to as "Private Use"). Private Use will include any sale, lease or other arrangement pursuant to which a nongovernmental person or entity receives a legal entitlement of a Project Component and also includes certain agreements pursuant to which a nongovernmental person will operate or manage a Project Component. Each monthly invoice submitted by GRANTEE to reimburse prior expenditures (or to be received as an advance) shall provide information regarding the specific Project Costs or Project Components to which the Funds which pay that invoice will be allocated and whether there is or might be any Private Use associated with such Project Costs or Project Components. GRANTEE will, for the entire time over which LACMTA's Bonds or other debt remains outstanding, (1) notify and receive LACMTA's approval prior to entering into any arrangement which will or might result in Private Use and (2) maintain records, including obtaining records from contractors and subcontractors as necessary, of all allocations of Funds to Project Costs or Project Components and any Private Use of such Project Costs or Project Components in sufficient detail to comply and establish compliance with Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"), or similar code provision then in effect and applicable, as determined by the LACMTA in consultation with its bond counsel.

GRANTEE will designate one or more persons that will be responsible for compliance with the obligations described in this Attachment G and notify LACMTA of such designations.



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. **10**

FROM: City Administrator

SUBJECT: A Resolution Approving an Agreement with County of Los Angeles Department of Animal Care and Control, and FY 2014-15 Service Level Request

MEETING DATE: JULY 1, 2014

RECOMMENDATION:

Approve the Resolution which will approve an Agreement with the County of Los Angeles Department of Animal Care and Control, and the FY 2014-15 Service Level Request.

ANALYSIS:

The City of Commerce contracts with the County of Los Angeles Department of Animal Care and Control to provide animal control services. The Agreement is approved every five years and the fee schedule is renewed on a yearly basis.

ALTERNATIVES:

1. Approve the Resolution approving the Agreement, and FY 2014-15 Service Level Request; and/or
2. Provide staff with further direction

FISCAL IMPACT:

The County of L.A. Department of Animal Care and Control fees are based on a "fee for service" scale, as outlined in the fees document. The fees for FY 2014/15 are \$61,063 and were included as part of the City's Budget Process for Fiscal Year 2014/15.

RELATIONSHIP TO STRATEGIC GOALS:

This matter is applicable to the following 2012 Strategic Goal: "Protect and Enhance the Quality of Life in the City of Commerce."

Recommended by: Matthew C. Rodriguez, Director of Safety and Community Services

Reviewed by: Vilko Domic, Director of Finance

Approved As To Form: Eduardo Olivo, City Attorney

Respectfully Submitted: Jorge Rifá, City Administrator

ATTACHMENT:

1. Resolution
2. Agreement + Service Level Request

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING AND ADOPTING CITY-COUNTY MUNICIPAL SERVICES
AGREEMENT WITH COUNTY OF LOS ANGELES DEPARTMENT OF ANIMAL CARE
AND CONTROL AND FY 2014-2015 SERVICE LEVEL REQUEST

WHEREAS, the City of Commerce has one full time Animal control officer and two part-time officers on staff but engages the Los Angeles County Department of Animal Control for housing, control and supplementary manpower; and

WHEREAS, the City is committed to providing its community with a safe environment by minimizing the population of stray animals within the City's jurisdiction; and

WHEREAS, the existing Agreement with the Los Angeles County Department of Animal Care and Control will expire on June 30, 2014. A Service Level Request Agreement must be signed on a yearly basis; and

WHEREAS, the new Agreement shall be effective July 1, 2014 through June 30, 2019.

NOW, THEREFORE, THE CITY OF COMMERCE CITY COUNCIL HEREBY RESOLVES, DECLARES AND DETERMINES AS FOLLOWS:

Section 1. The Agreement between the City of Commerce and the County of Los Angeles Department of Animal Care and Control is hereby approved. The Mayor is authorized to execute the Agreement for and on behalf of the City.

Section 2. The County of Los Angeles Department of Animal Care and Control FY 2014-2015 Service Level Request, its cost to be based on a "fee for service" scale in the amount of \$61,063, is hereby approved; the level of services is consistent with the amount approved by the City Council during its consideration of the 2014-2015 fiscal year budget in June 2014.

Section 2.
PASSED, APPROVED AND ADOPTED this 1st day of July 2014.

ATTEST:

Tina Baca Del Rio, Mayor

Lena Shumway, City Clerk

CITY-COUNTY MUNICIPAL SERVICES AGREEMENT

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**COUNTY OF LOS ANGELES DEPARTMENT OF ANIMAL CARE
AND CONTROL AND CITY OF COMMERCE**

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CITY-COUNTY MUNICIPAL SERVICES AGREEMENT

COUNTY OF LOS ANGELES DEPARTMENT OF ANIMAL CARE AND CONTROL AND CITY OF COMMERCE

THIS AGREEMENT is made by and between the COUNTY OF LOS ANGELES, hereinafter referred to as County, and the CITY OF COMMERCE, hereinafter referred to as City.

RECITALS

- a. The City is desirous of contracting with the County for the performance of animal care and control functions described herein by the County.
- b. The County of Los Angeles is agreeable to rendering such services on the terms and conditions set forth in this Agreement.
- c. Such contracts are authorized and provided for by the provisions of Section 56-1/2 and 56-3/4 of the Charter of the County of Los Angeles and Section 51300 et seq. of the Government Code of the State of California.

1.0 AGREEMENT TO PROVIDE SERVICES UNDER STATE AND LOCAL STATUTES

- 1.1 The County agrees, through the County Department of Animal Care and Control, to provide general animal care and control services within the corporate limits of the City to the extent and in the manner hereinafter set forth.
- 1.2 Except as otherwise specifically set forth in this Agreement, such services shall only encompass duties and functions of the type coming within the jurisdiction of and customarily rendered by the County under the Charter of the County and the Statutes of the State of California and under the municipal codes of the City. The County will provide services in accordance with the provisions of Title 10, Animals of the Los Angeles County Code, and all amendments thereto, except as otherwise agreed by the parties in the attached Service Level Request.

2.0 ADMINISTRATION OF PERSONNEL

- 2.1 The rendition of the services performed by the County, the standards of performance, the discipline of officers and staff, and the matters incident to the performance of such services and the control of personnel so employed shall remain with the County.
- 2.2 In the event of a dispute between the parties to this contract as to the extent of the duties and functions to be rendered hereunder, or the

minimum level or manner of performance of such service, the City shall be consulted and a mutual determination thereof shall be made by both the County and the City.

- 2.3 With regard to Sections 2.1 and 2.2, the County, in an unresolved dispute, shall have final and conclusive determination as between the parties hereto.**
- 2.4 All City employees who work in conjunction with the County's Department of Animal Care and Control pursuant to this Agreement shall remain employees of the City and shall not have any claim or right to employment, civil service protection, salary, or benefits or claims of any kind from the County based on this Agreement. No City employee as such shall become employees of the County unless by specific additional agreement in the form of a merger contract which must be concurrently adopted by the City and County. To the extent the County provides the City with animal licensing services, City employees or their agents shall not perform any function related to the licensing of animals, including collection of license fees, penalties, or field enforcement fees, except as otherwise agreed to by the parties in the attached Service Level Request of other prior written agreement. Field enforcement fees will only be collected for services performed by employees of the County of Los Angeles Department of Animal Care and Control.**
- 2.5 For the purpose of performing services and functions, pursuant to this Agreement and only for the purpose of giving official status to the performance thereof, every County officer and/or employee engaged in performing any such service and function shall be deemed to be a contracted officer or employee of the City while performing such service for the City, as long as the service is within the scope of this Agreement and in a municipal function.**
- 2.6 The contracting City shall not be called upon to assume any liability for the direct payment of any County Department of Animal Care and Control salaries, wages, or other compensation to any County personnel performing services hereunder for said City. Except as herein otherwise specified, the City shall not be liable for compensation or indemnity to any County employee or agent of the County for injury or sickness arising out of his/her employment as a contract employee of the City.**
- 2.7 As part of its compliance with all applicable laws and regulations relating to employee hiring, the County agrees that the County Civil Services Rules to which it is subject and which prohibit discrimination on the basis of non-merit factors, shall for purposes of this contract be read and understood to prohibit discrimination.**

3.0 DEPLOYMENT OF PERSONNEL

- 3.1 Services performed hereunder and specifically requested by the City shall be developed in conjunction with the County Department of Animal Care and Control.**
- 3.2 The City agrees to complete a Service Level Request form annually (Attachment A) and the level of service to be provided and contract sum shall be signed and authorized by the City and the County Department of Animal Care and Control or his/her designee and shall be attached to this contract as an amendment.**
- 3.3 The City may request a change in level of service and complete an additional Service Level Request form and submit such form to the County Department of Animal Care and Control. The revised level of service to be provided and contract sum shall be signed and authorized by the City and the County Department Animal Care and Control or his/her designee and attached to this contract as an amendment to the level of service and the contract sum.**
- 3.4 The City is not limited to the foregoing services indicated, but may also request any other services in the field of public safety, animal welfare, or related fields within the legal power of the Director of Animal Care and Control to provide.**

4.0 PERFORMANCE OF CONTRACT

- 4.1 For the purpose of performing said functions, County shall furnish and supply all necessary labor, supervision, equipment, communication facilities, and supplies necessary to maintain the agreed level of service to be rendered hereunder.**
- 4.2 Notwithstanding the foregoing, the City may provide additional resources for the County to utilize in performance of the services.**
- 4.3 Notwithstanding the foregoing, it is mutually agreed that in all instances where special supplies, stationery, notices, forms, and the like must be issued in the name of said City, the same shall be supplied by the City at its own cost and expense.**

5.0 INDEMNIFICATION

- 5.1 The parties hereto have executed an Assumption of Liability Agreement approved by the Board of Supervisors on December 27, 1977, and/or a Joint Indemnity Agreement approved by the Board of Supervisors on October 8, 1991, and/or a revised Joint Indemnity Agreement approved by the Board of Supervisors on August 9, 1993. Whichever of these documents the City has signed later in time is currently in effect and**

hereby made a part of and incorporated into this Agreement as if set out in full herein.

- 5.2 In the event the Board of Supervisors later approves a revised Joint Indemnity Agreement and the City executes the revised agreement, the subsequent agreement as of its effective date shall supersede the Joint Indemnity Agreement previously in effect between the parties hereto.

6.0 TERM OF CONTRACT

- 6.1 Unless sooner terminated as provided for herein, this Agreement shall be effective July 1, 2014, and shall remain in effect until June 30, 2019.
- 6.2 At the option of the Board of Supervisors and with the consent of the City Council, this Agreement may be renewable for successive periods not to exceed five years each.

7.0 RIGHT OF TERMINATION

- 7.1 Either party may terminate this Agreement as of the first day of July of any year upon notice in writing to the other party of not less than 60 days prior thereto.
- 7.2 Notwithstanding any provision herein to the contrary, the City may terminate this Agreement upon notice in writing to the County given within 60 days of receipt of hereunder, and in such an event this Agreement shall terminate 60 calendar days from the date of the City's notice to the County.
- 7.3 This Agreement may be terminated at anytime, with or without cause, by either party upon written notice given to the other party at least 180 days before the date specified for such termination.
- 7.4 In the event of a termination, each party shall fully discharge all obligations owed to the other party accruing prior to the date of such termination, and each party shall be released from all obligations which would otherwise accrue subsequent to the date of termination.

8.0 CONTRACT SUM

- 8.1 The City shall pay for the services provided under the terms of this service agreement at the rate established by the County's Department of Animal Care and Control and approved by the Auditor-Controller.
- 8.2 The rates indicated in the Service Level Request form shall be readjusted by the County annually effective the first day of July each year to reflect the cost of such service in accordance with the policies and procedures for

the determination of such rate as adopted by the County Board of Supervisors.

- 8.3 The City shall be billed based on the service level provided within the parameters of the Service Level Request form.
- 8.4 The cost of other services requested pursuant to this Agreement and not set forth in the Service Level Request form shall be determined by the County's Department of Animal Care and Control and in accordance with the policies and procedures established by the County Board of Supervisors.

9.0 PAYMENT PROCEDURES

- 9.1 The County, through the County of Los Angeles Department of Animal Care and Control, shall render to said City within 15 days after the close of each calendar month a summarized invoice which covers all services performed during said month, and said City shall pay County for all undisputed amounts within 30 days after date of said invoice.
- 9.2 If such payment is not delivered to the County office which is described on said invoice within 60 days after the date of the invoice, the County is entitled to recover interest thereon. For all disputed amounts, the City shall provide County with written notice of the dispute including the invoice date, amount, and reasons for dispute within 15 days after receipt of the invoice. The parties shall memorialize the resolution of the dispute in writing. For any disputed amounts, interest shall accrue if payment is not received within 60 days after the dispute resolution is memorialized.
- 9.3 Interest shall be calculated at the rate of seven percent (7%) annually or any portion thereof, calculated from the last day of the month in which the services were performed, or in the case of disputed amounts, calculated from the date the resolution is memorialized.
- 9.4 Notwithstanding the provisions of Government Code Section 907, if such payment is not delivered to the County office which is described on said invoice within 60 days after the date of the invoice, or in the case of disputed amounts, from the date the resolution is memorialized, the County may satisfy such indebtedness, including interest thereon, from any funds of the City on deposit with the County without giving further notice to City of County's intention to do so.

10.0 ENTIRE AGREEMENT

- 10.1 This Agreement and Attachment A hereto, constitute the complete and exclusive statements of the parties which supersedes all previous agreements, written or oral, and all communications between the parties relating to the subject matter hereof. All changes or amendments to this

CITY-COUNTY MUNICIPAL SERVICES AGREEMENT

**COUNTY OF LOS ANGELES
DEPARTMENT OF ANIMAL CARE AND CONTROL**

AND

THE CITY OF

COMMERCE

FY 2014-15 SERVICE LEVEL REQUEST

Part One: Billing Rates for the period July 1, 2014, through June 30, 2015

Kennel Services*	
Dog and Cat per day	\$20.07
Other animals per day	\$ 9.95
Observation per day	\$24.08
Dog license processing per license	\$ 2.45
Dead animal disposal per animal	\$12.84
Field Services per hour	\$85.02
Animal License Field Enforcement per hour	\$67.34
Liability Trust Fund (applied to Field Services and Animal License Field Enforcement hourly amounts only)	4%

Part Two: Annual/Amended Service Request Approval

Authorized Representative
(Printed Name)

Authorized Signature
(Signature)

Date

Title

Telephone Number

Part Three: Annual Service Level

Standard Shelter Services:

Full Service - All animals acquired in the field, within the boundaries of the City or determined to have originated within the boundaries of the City, may be impounded at a County animal care center. Impounded animals will be vaccinated and provided medical care, food, and shelter. The animal's picture will generally be posted on the Department's website to assist residents in reclaiming a lost or missing pet. Residents may also visit the associated animal care center to find their lost or missing pet. The hours of operation of each animal care center are scheduled at the discretion of the Department. See Part One for the associated shelter services billing rates. Primary animal care center*: **(Downey Animal Care Center)**

*The Department shall take reasonable action to shelter all animals at this location. There may be circumstances in which the Department must shelter animals at an alternate location. In general, such sheltering shall be temporary and animals shall subsequently be transferred to the primary animal care center.

Contract cities are charged for the first five days of care for animals impounded within the city's jurisdiction. If an animal leaves our care earlier for any reason, cities will be charged based upon the actual number of days (1-4). If an animal is redeemed, the redemption fees collected from owners will be credited to the city up to the maximum number of days that would otherwise be billed. The County assumes liability and disposition of these animals after five days with the exception of animals held as a result of a seizure or criminal case, abandoned animals, observation animals (quarantine), potentially dangerous or vicious dogs, and return to owner animals.

Below are the kennel services maximum number of days billed and the description:

*Kennel Services Description	Maximum number of days billed
Kennel Services: Stray or relinquished animals.	5 days
Private Veterinarian: If the owner is unable to be located and the injury or condition is life threatening and the scene of the incident is not in the vicinity of a County animal care center, or if the medical staff at the animal care center are not available, the animal will be taken to the nearest private contract veterinarian. Cities will be charged for the private contracted veterinarian visit.	5 days
Observation Animals: Animal bite that causes any penetration of the skin by teeth which requires a bite report be taken and the animal quarantined. The animal will be placed in quarantine confinement and observed for ten (10) days minimum from the date of the bite at the discretion of the Department of Veterinary Public Health.	10 days
Return to Owner Animal: The owner or person entitled to the custody of any animal impounded can redeem such animal by paying impound and boarding fees accruing up to the time of such redemption.	10 days
Abandoned Animals: Hold at least fifteen (15) calendar days; determine whether the owner had an agreement with someone to care for the animal in their absence, post a Form 58 (Notice of Impoundment) at the premises for the owner if they return, and mail a registered or certified letter to the last address	15 days
Special Intake: Confiscated, Court Case, Police Request, Owner Arrested, Potentially Dangerous or Vicious Dog	Unlimited days

Field Services:

The County will provide the services set forth below in accordance with the provisions of the Los Angeles County Code, Title 10 - Animals, and all amendments, except as otherwise agreed to by the parties in this Service Level Request.

- Standard Service Plan - Includes answering calls for service (24 hours per day, daily); dispatching or assigning field staff; and performance of duties in the field based on priority, location, and availability of staff.

Limited Standard Service Plan: 10pm - 8a.m (Mon-Fri) and 6p.m and 10a.m SAT/SUN

- Daily between the hours of (a.m./p.m.) and (a.m./p.m.)
- Weekend days and holidays
- Emergency Services - As needed
- Humane Investigations and Prosecution - As needed

Regular Business hour contact information:

Department Name: Commerce Public SAFETY (Laura Tilley) Public SAFETY MANAGER
Telephone: (323) 887-4460 XT. 2870
Address: 2535 Commerce Way
Commerce, Ca 90040

Outreach and Enforcement Services:

County will enforce the fees set forth in Los Angeles County Code Section 10.90.010 et seq. unless the City provides an alternate fee schedule approved by the City and provided to the County.

Animal License Field Enforcement

License Enforcement Services - Provides for dedicated staff to perform license enforcement activities (issuing new licenses, license renewals, collecting delinquency charges and other fees) in the field.

- Authorized Animal License Enforcement Services
 - County and City shall subsequently agree to the time and scope of this service.
- No Animal License Enforcement Services
 - Note: All license enforcement revenue collected will be contributed toward offsetting the cost of services

Animal Facility Licensing

Animal Facility Licensing Services - Provides for dedicated staff to perform animal facility inspection and licensing to any lot, building, structure, enclosure, or premises for any animal related business or organization which is required to be licensed. The animal facility licensing staff inspects animal related facilities annually and when otherwise necessary, to ensure the health and safety of the public and animals. Businesses are provided a letter grade based on the results of the inspection. Animal facility licenses are generally valid for one year from the date of issue. The Department will inspect animal facilities and any revenues collected will offset services.

- Animal Facility Licensing**
 - Licensing and Inspection/Grading Services**

No Animal Facility Licensing

Clinic(s)

In addition to the vaccination and licensing services provided in all County Animal Care Centers, the city may request the following additional services in its jurisdiction by checking the applicable box(es):

- Request County to provide or arrange for vaccination clinic(s) in its jurisdiction;**
- If a vaccination clinic(s) is/are requested by checking the box above, the City also requests County to provide personnel to license animals during the vaccination clinic.**

Part Four: License Information (required if the Department manages City Licensing)

Standard Licensing Services:

License renewal notices are mailed or transmitted to the animal owner of record, the renewal and payment is received and processed annually on a fee per license basis. Licenses will be required before an animal will be released to a resident of a City participating in the Standard Licensing Services program. Fees from licenses collected will be credited to the City monthly in arrears.

- City has adopted the license fees outlined in Title 10 of the Los Angeles County Code

Altered Dog	\$ <u>20.00</u>	Altered Cat	\$ <u>5.00</u>
Unaltered Dog	\$ <u>60.00</u>	Unaltered Cat	\$ <u>10.00</u>
Senior* Dog	\$ <u>7.50</u>	*Senior age is defined as <u>60</u> years.	
Delinquency Charge	\$ <u>Equal to Amount of License</u>		
Delinquency Charge applies after: <u>10 days</u>			
Field Enforcement Fee	\$ <u>40.00</u> (licensing initiated in the field)		

- City has adopted the following license fees:

Altered Dog	\$ <u>15.00</u>	Altered Cat	\$ <u>N/A</u>
Unaltered Dog	\$ <u>25.00</u>	Unaltered Cat	\$ <u>N/A</u>
Senior* Dog	\$ <u>7.50</u>	Senior* Cat	\$ <u>N/A</u>
_____	\$ _____	_____	\$ _____

*Senior age is defined as 62 years.

Delinquency Charge \$ 0

Delinquency Charge applies after: _____ days.

Field Enforcement Fee \$ 0 (licensing initiated in the field)

Current license fees adopted by the City on September 29, 2009.

- No Animal Licensing Services

Records:

Upon reasonable notice, the Department shall make available to authorized representatives of City of Commerce, for examination, audit, excerpt, copy, or transcription, any pertinent transaction, activity, or other record relating to this Agreement. The City of Commerce shall ensure such records are handled in a manner consistent with all applicable privacy laws and all related to public records, including, but not limited to the Public Records Act (Government Code § 6250 et. seq.).

Part Six: Contact Information

Primary Contact

Name: Laura Tilley, Public Safety Manager
Address: 2535 Commerce Way
Commerce, Ca 90040
Telephone: (323) 887-4460
Alt. Telephone: (323) 833-1928
E-mail: laurat@ci.commerce.ca.us

Alternate Contact

Name: Matt Rodriguez, Director
Address: 2535 Commerce Way
Commerce, Ca
Telephone: (323) 887-4460
Alt. Telephone: (323) 216-1896
E-mail: MATT@ci.commerce.ca.us

WD: FY 2014-15 Service Level Request DR

**Los Angeles County
Department of Animal Care and Control
Description of Services Provided**

Field Services

Resources dedicated to providing quality animal care services in the field. Activities involve field officers performing a variety of tasks utilizing appropriate equipment. These tasks include:

- Immediate response to vicious/dangerous animals that pose a public safety threat;
- Capture and impoundment of stray domestic animals;
- Impoundment of animals surrendered by their owners;
- Removal of dead animals from public and private property;
- Enforcement of all animal related ordinances and State laws including leash laws, animal cruelty laws, dangerous/vicious dog enforcement, and the keeping of wild or exotic animals;
- Investigate Potentially Dangerous and Vicious Dog cases; prepare appropriate petitions; and conduct administrative hearings, consistent with state and county laws;
- Rescue of ill, injured or abused animals;
- Enforcement of animal nuisance complaints such as barking dogs and leash law violators;
- Assist local law enforcement with their cases when animals are involved, such as the service of search warrants and impounding animals belonging to persons taken into custody;
- Emergency response to fires, earthquakes, floods and other natural or manmade disasters to rescue animals from harm;
- Maintain 24 hour dispatch and call center to receive calls for service and dispatch them to officers for field response; and

Shelter Services

Represents services dedicated to providing a comfortable and safe environment to shelter animals. Shelter services include:

- **Providing food, water, shelter medical care for impounded animals;**
- **Holding stray animals and attempting to reunite them with their owners;**
- **Finding new adoptive homes for domestic animals;**
- **Working with wildlife rehabilitators to rescue sick and injured wildlife;**
- **Providing emergency sheltering to animals displaced by wildfires or other disasters;**
- **Spay and neuter services for all dogs and cats pursuant to State law**
- **Performing surgeries to make animals more adoptable**
- **Euthanizing sick, injured, dangerous, feral or un-adopted animals;**
- **Quarantine and observation of animals for rabies;**
- **File annual reports to the State of California as required by law;**
- **Disposal of dead animals;**
- **Maintain website of lost and surrendered animals so owners may locate their lost animals and potential adopters may find a new pet; and**
- **Maintain regular hours of operation for the public.**

Licensing

Represents resources for providing the issuance and processing of licenses. This function includes:

- **Issuance of animal licenses to animals that have been vaccinated against rabies;**
- **Processing license applications, payments, and information changes;**
- **Issuing license renewal notices;**
- **Assessing and collecting fees, penalties and other financial remittances;**
and
- **Maintenance of animal licensing database**

Animal Licensing Field Enforcement

Represents services dedicated to providing field enforcement for animal license compliance. This program includes:

- **Neighborhood field enforcement of animal licensing and other State and local laws and ordinances;**
- **Issuing citations to violators of animal licensing ordinances; and**
- **Collecting license revenue**

Business Licensing

Represents the process to issue and enforce licenses provided to private businesses involved in regulated activities related to animals. This program includes:

- **Annually inspect and license animal facilities such as pet shops, breeders, animal menageries, grooming parlors and all other places where animals are maintained for profit or business activities; and**
- **Issue grades to facilities, similar to the Los Angeles County Public Health Department's Restaurant Grading System**

Vaccination and Microchip Clinics

Represents resources to provide vaccines and microchips, including:

- **Provide low cost vaccinations and microchips;**
- **Staff with medical personnel and necessary support staff;**
- **Assist jurisdictions in promoting community based clinics; and**
- **Provide regular clinics at each Los Angeles County Animal Shelter**

COUNTY OF LOS ANGELES
DEPARTMENT OF ANIMAL AND CONTROL
COMMERCE - SERVICE LEVELS SCHEDULE

City / Service Description	# of Animal	Unit	Estimated Actual FY 13/14			Estimated FY 14/15		
			Billing Rates	# of Unit	* Cost Amount	** Billing Rates	# of Unit	* Cost Amount
Commerce								
Kennel Housing - Dog & Cat	656	Days	\$ 17.68	2,758	\$ 48,761	\$ 20.07	2,758	\$ 55,353
Kennel Housing - Other Animals	21	Days	\$ 8.33	54	\$ 450	\$ 9.95	54	\$ 537
Special Care Housing	11	Days	\$ 21.21	60	\$ 1,273	\$ 24.08	60	\$ 1,445
Disposal of Dead Animals		Each	\$ 12.48	47	\$ 587	\$ 12.84	47	\$ 603
Private Vet		Each	Varies	7	\$ 350	Varies	7	\$ 350
Field Services***		Hours	\$ 81.25	58	\$ 4,692	\$ 85.02	58	\$ 4,910
Animal License Enforcement Services		Hours	\$ 68.49	-	\$ -	\$ 67.34	-	\$ -
Liability Insurance (4% Field and Animal License Enforcement Services)					\$ 188			\$ 196
License Processing Fee		Licenses	\$ 2.63	-	\$ -	\$ 2.45	-	\$ -
Redemption Fee					\$ (2,332)			\$ (2,332)
License/Penalty Fee Credits					\$ -			\$ -
Total City Net Cost					\$ 53,968			\$ 61,063
						Estimate FY 14/15 % variance		13%

- * Service Levels Schedule is an estimate only (based on the current fiscal year 8 months actual) and is for your reference. City is liable for actual cost.
 ** FY 14/15 Billing Rate approved by Los Angeles County Auditor-Controller on 5/23/14.
 *** Critical Case Processing Unit Field Services hours are part of overhead on FY 14/15.



CITY OF COMMERCE AGENDA REPORT

TO: HONORABLE CITY COUNCIL

Item No. 11

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING A RETAINER AGREEMENT BETWEEN THE CITY OF COMMERCE AND THE LAW OFFICES OF BURHENN & GEST REGARDING STATE MANDATES IMPOSED BY THE 2012 LOS ANGELES COUNTY MUNICIPAL STORMWATER PERMIT

MEETING DATE: July 1, 2014

RECOMMENDATION:

Adopt the Resolution approving a retainer agreement between the City of Commerce and the Law Offices of Burhenn & Gest regarding State Mandates imposed by the 2012 Los Angeles County Municipal Stormwater Permit, and assign the number next in order.

BACKGROUND:

The City of Commerce and several other cities currently have pending before the California Supreme Court a claim seeking reimbursement for the trash receptacle and inspection obligations imposed under the 2001 Los Angeles Municipal County Stormwater Permit. The purpose of that litigation is to set the precedent that the cities are entitled to reimbursement for unfunded state mandates imposed by the Regional Water Quality Control Board (the "Board") under municipal stormwater permits. The cities are jointly represented by the Law Firm of Burhenn & Gest.

The 2012 Los Angeles County Municipal Stormwater Permit (the "2012 Permit") is considered to be a new order, and thus a new test claim must be submitted for the obligations imposed by it. Other cities have requested that Burhenn & Gest represent them jointly before the Commission on State Mandates to seek reimbursement for the costs they have incurred with regard to the 2012 Permit. The Law Firm has proposed a retainer agreement that will provide for an equal sharing of costs for services that are common to all cities.

City staff and the City Attorney recommend that the City of Commerce also retain the Law Firm of Burhenn & Gest to represent the City before the Commission on State Mandates in connection with reimbursement for the costs incurred with regard to the 2012 Permit.

ANALYSIS:

The Burhenn & Gest Law Firm will charge \$295 per hour for partners, \$250 per hour for associates and \$95 per hour for legal assistants. Six cities, including the City of Commerce, are expected to participate in the filing of the test claim and will share the legal costs for the matter. The cost of filing and pursuing the test claim through the administrative test claim process is estimated to be \$75,000 collectively for all of the participating cities. After filing the claim, however, the matter may be stayed, pending the completion of the Supreme Court proceedings. Thus, it is estimated that, for the six cities involved, the initial cost will be collectively \$30,000 to file the test claim.

ALTERNATIVES:

1. Approve staff recommendation
2. Reject staff recommendation
3. Provide staff with further direction

FISCAL IMPACT:

The cost of filing and pursuing the test claim is estimated to be \$75,000 collectively for all of the participating cities. If six cities participate in the matter, the City of Commerce's share of the cost will be \$12,500. Staff will bring this back at mid-year as a cleanup item with a proper appropriation request.

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: "*Develop a tangible environmental mitigation plan*" as identified in the 2012 Strategic Plan.

Respectfully submitted by: Jorge Rifa, City Administrator
Approved by: Maryam Babaki, Director of Public Works and Development Services
Prepared by: Eddie Olivo, City Attorney
Reviewed by: Vilko Domic, Finance Director
Approved as to form by: Eduardo Olivo, City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING AND ADOPTING CITY-COUNTY MUNICIPAL SERVICES
AGREEMENT WITH COUNTY OF LOS ANGELES DEPARTMENT OF ANIMAL CARE
AND CONTROL AND FY 2014-2015 SERVICE LEVEL REQUEST

WHEREAS, the City of Commerce has one full time Animal control officer and two part-time officers on staff but engages the Los Angeles County Department of Animal Control for housing, control and supplementary manpower; and

WHEREAS, the City is committed to providing its community with a safe environment by minimizing the population of stray animals within the City's jurisdiction; and

WHEREAS, the existing Agreement with the Los Angeles County Department of Animal Care and Control will expire on June 30, 2014. A Service Level Request Agreement must be signed on a yearly basis; and

WHEREAS, the new Agreement shall be effective July 1, 2014 through June 30, 2019.

NOW, THEREFORE, THE CITY OF COMMERCE CITY COUNCIL HEREBY RESOLVES, DECLARES AND DETERMINES AS FOLLOWS:

Section 1. The Agreement between the City of Commerce and the County of Los Angeles Department of Animal Care and Control is hereby approved. The Mayor is authorized to execute the Agreement for and on behalf of the City.

Section 2. The County of Los Angeles Department of Animal Care and Control FY 2014-2015 Service Level Request, its cost to be based on a "fee for service" scale in the amount of \$61,063, is hereby approved; the level of services is consistent with the amount approved by the City Council during its consideration of the 2014-2015 fiscal year budget in June 2014.

Section 2.

PASSED, APPROVED AND ADOPTED this 1st day of July 2014.

ATTEST:

Tina Baca Del Rio, Mayor

Lena Shumway, City Clerk

BURHENN & GEST LLP
624 SOUTH GRAND AVENUE
SUITE 2200
LOS ANGELES, CALIFORNIA 90017
TELEPHONE (213) 688-7715
FACSIMILE (213) 624-1376

WRITER'S DIRECT NUMBER
(213) 629-8787

WRITER'S E-MAIL ADDRESS
hgest@burhennigest.com

June 20, 2014

Jorge Rifa
City Administrator
City of Commerce
2535 Commerce Way
Commerce, CA 90040

*Re: Proceedings Before the Commission on State Mandates For Recovery
of Costs Imposed By the 2012 Los Angeles County Municipal
Stormwater Permit*

Dear Mr. Rifa:

Thank you very much for deciding to retain Burhenn & Gest LLP ("Burhenn & Gest"). This letter will formalize the City of Commerce's engagement of Burhenn & Gest and set forth the terms of that engagement. If the terms set forth below are acceptable, please sign the original of this letter and return it to my attention.

1. Client: Scope of Representation. The client in this matter will be the City of Commerce (the "City"). Burhenn & Gest will advise the City in connection with, and the scope of Burhenn & Gest's engagement and duties will relate solely to, the representation of the City before the Commission on State Mandates regarding reimbursement for the cost of certain obligations imposed by the Los Angeles County Municipal Stormwater Permit adopted by the Los Angeles Regional Water Quality Control Board in November, 2012. The City may limit or expand the scope of this representation from time to time, provided that Burhenn & Gest must agree to any substantial expansion.

2. Term of Engagement. The City's engagement of Burhenn & Gest shall commence upon the City's execution and return of this letter. Either the City or Burhenn & Gest may terminate this engagement at any time for any reason by written notice, subject on Burhenn & Gest's part to the applicable rules of professional responsibility. In the event that Burhenn & Gest terminates the engagement, Burhenn & Gest will take such steps as are reasonably practicable to protect the City's interests in the above matter.

Jorge Rifa
City Attorney
June 20, 2014
Page 2

Unless previously terminated, Burhenn & Gest's representation of the City will terminate upon Burhenn & Gest sending its final statement for services rendered. Following such termination, any otherwise nonpublic information that the City may have supplied to Burhenn & Gest, which is retained by it, will be kept confidential in accordance with applicable rules of professional responsibility. If, upon such termination, the City wishes to have any documents delivered to it, the City shall advise Burhenn & Gest within ten days. Otherwise, all such documents will be transferred to the person responsible for administering Burhenn & Gest's record retention program. For various reasons, including the minimization of storage, Burhenn & Gest reserves the right to destroy or otherwise dispose of any such documents retained by it.

The City is engaging Burhenn & Gest to provide legal services in connection with the above referenced matter. After the completion of this matter, changes may occur in the applicable laws or regulations that could have an impact upon the City's future rights and liabilities. Unless the City actually engages Burhenn & Gest after the completion of this matter to provide additional advice on issues arising from them, Burhenn & Gest has no continuing obligation to advise the City with respect to future legal developments.

3. Fees and Expenses. Burhenn & Gest's fees will be based on the billing rate for each attorney and legal assistant devoting time to this matter. Burhenn & Gest's billing rate for partners is presently \$495 per hour. Time devoted by associates is charged at \$250 an hour and time devoted by legal assistants is charged at \$95 per hour. For the purpose of this proceeding, it is agreed that the billing rate for partners charged to the City in this matter will be only \$295 per hour. Howard Gest and David Burhenn, partners in the firm, will be chiefly responsible for representing the City in this matter, although other attorneys may assist from time to time.

Other cities have also requested that Burhenn & Gest represent them before the Commission on State Mandates to seek reimbursement for the costs they have incurred with regard to the 2012 Los Angeles County Municipal Stormwater Permit. Services that are common to all clients represented by this office will be divided equally amongst the clients. Services that are unique to the City may be billed solely to it.

Burhenn & Gest will include on its statements charges for performing services such as photocopying, messenger and delivery service, travel, long-distance telephone, facsimile, and search and filing fees. Fees and expenses of others (such as consultants, appraisers, and local counsel) generally will not be paid by Burhenn & Gest, but will be billed directly to the City. The City agrees that Burhenn & Gest's statements are due upon receipt and will be paid within 30 days thereafter.

Jorge Rifa
City Attorney
June 20, 2014
Page 3

4. Conflicts. Burhenn & Gest has multiple clients. Although Burhenn & Gest hopes it never happens, it is possible that an adverse relationship (including litigation) could develop in the future between the City and one of Burhenn & Gest's other clients. If Burhenn & Gest is not representing the City in that future matter and that future matter is not substantially related to Burhenn & Gest's representation of the City in the above referenced matter, the City agrees that Burhenn & Gest may represent the other client. (In its engagement letters with its other clients, Burhenn & Gest has asked for similar agreements to preserve Burhenn & Gest's ability to represent you.)

As set forth above, other cities have requested Burhenn & Gest to represent them before the Commission on State Mandates with respect to their claims for reimbursement for costs incurred in complying with the 2012 Los Angeles County Municipal Stormwater Permit. Burhenn & Gest has also represented and continues to represent the County of Los Angeles and six cities with respect to the County's and those six cities' claims for reimbursement arising from the industrial inspections and the installation of trash receptacles under the 2001 Los Angeles County Municipal Stormwater Permit.

The City has also been specifically advised that Burhenn & Gest has represented and continues to represent the County of Los Angeles and the Los Angeles County Flood Control District with respect to water quality issues in the Los Angeles Basin, such as proceedings regarding the adoption of the 2012 permit, stormwater permit compliance, total maximum daily load compliance and water quality in the Los Angeles basin, including the Los Angeles River watershed.

It is possible that the interests of the City and the interests of the other cities could become adverse with respect to the proceedings before the Commission and these other matters. It is also possible that the interests of the City and the interests of the County of Los Angeles or the Los Angeles Flood Control District could become adverse with respect to the matters in which Burhenn & Gest represents the County or Flood Control District. The City specifically acknowledges this potential and agrees that the City waives any conflict of interest or potential conflict of interest that could arise from Burhenn & Gest's representation of any other city or the County of Los Angeles with respect to these matters, including water quality in the Los Angeles River watershed, now and in the future, unless Burhenn & Gest has acquired confidential information of the City that would preclude Burhenn & Gest from proceeding. Other clients of Burhenn & Gest are providing the same waiver with respect to the City of Commerce.

* * *


Once again, Burhenn & Gest is pleased to have this opportunity to work with you. If you have any questions or comments during the course of this representation, please

BURHENN & GEST LLP

Jorge Rifa
City Attorney
June 20, 2014
Page 4

call me at (213) 688-7715.

Very truly yours,



Howard Gest

HDG:da

cc: Eduardo Olivio, Esq.

AGREED TO AND ACCEPTED ON BEHALF
OF THE CITY OF COMMERCE

Name: _____
Title: _____



CITY OF COMMERCE AGENDA REPORT

Item No. **12**

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH PUMPMAN INC. TO PERFORM STORM DRAIN PUMP STATION MAINTENANCE, REPAIRS AND ASSESSMENT AT FOUR PUMP STATION LOCATIONS IN THE CITY OF COMMERCE

MEETING DATE: July 1, 2014

RECOMMENDATION:

Consider approval and adoption of a resolution approving a Professional Services Agreement with PumpMan Inc. to perform storm drain pump station maintenance, repairs and assessment at four pump station locations in the City of Commerce, and assign the number next in order.

BACKGROUND:

Storm Drain Pump Stations collect, convey, and discharge storm water flowing within and along the right-of-way of transportation systems. These stations are necessary for the removal of storm water from sections of highway where gravity drainage is not possible or practical.

On October 17th, 2013, consultants conducted a preliminary site investigation to assess conditions of the 4 pump stations located in the City of Commerce. These pump stations are located at (1) Atlantic Avenue (railroad underpass, south of Sheila Avenue); (2) Eastern Avenue (railroad underpass, south of Commerce Way); (3) Garfield Avenue (railroad underpass, south of Feguson Drive; Washington Boulevard and Telegraph Road (freeway underpass)). It was determined that the initial maintenance of the pump stations is necessary to avoid heavy flooding during the rainy season.

On December 3, 2013, City Council approved the RFP to perform storm drain pump station maintenance, repairs and assessment at four pump station locations in the City of Commerce. Council also authorized the Public Works and Development Services Department to proceed with the issuance of a Request for Proposals (RFP), advertise for proposals, and designate March 25, 2014, as the proposals due date.

ANALYSIS:

On March 25, 2014, two proposals for storm drain pump station maintenance, repairs and assessment were received from the following companies:

Contractor Name
1. United Storm Water Inc., City of Industry, CA
2. PumpMan Inc., Baldwin Park, CA

The selected firm will be responsible for storm drain pump station maintenance, repairs and assessment.

Staff reviewed all proposals. Proposals were evaluated on completeness of proposal, compliance with the RFP format, project understanding, relevant experience and knowledge in public agency procedures and requirements. When comparing the two proposals that were received PumpMan Inc's proposal had greater efficiencies at managing the annual cost. The other respondent's approach was an hourly billing rate.

Based on the criteria listed above, staff recommends that the City Council approve an agreement with PumpMan Inc. to perform storm drain pump station maintenance, repairs and assessment at four pump station locations in the City of Commerce, in the amount of \$109,318.00.

ALTERNATIVES:

1. Approves staff recommendation
2. Reject staff recommendation
3. Provide staff with further direction

FISCAL IMPACT:

This activity can be carried out at this time without additional impact on the current operating budget, as funding for this activity has been approved and included in the FY 2014/2015 General Fund Operating budget. The amount of \$76,500 was approved (\$44,000 for repair work & \$32,500 for one-half year related to maintenance)

RELATIONSHIP TO STRATEGIC GOALS:

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

Recommended by:

Maryam Babaki
Director
Public Works and Development Services r

Respectfully submitted,

Jorge Rifa
City Administrator

Reviewed by:

Vilko Domic
Finance Director

Approved as to form:

Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE PROFESSIONAL SERVICES AGREEMENT WITH PUMPMAN INC., OF BALDWIN PARK, CALIFORNIA, TO PERFORM STORM DRAIN PUMP STATION MAINTENANCE, REPAIRS AND ASSESSMENT AT FOUR PUMP STATION LOCATIONS IN THE CITY OF COMMERCE

WHEREAS, on December 3, 2013, City Council approved the RFP to perform storm drain pump station maintenance, repairs and assessment at four pump station locations in the City of Commerce; and

WHEREAS, on March 25, 2014, in accordance with the Request for Proposals, two proposals were received by the Public Works and Development Services Department; and

WHEREAS, after careful examination, evaluation of all proposals received and reference checks, City staff determined that PumpMan Inc. of Baldwin Park, California, is the most responsible bidder.

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

Section 1. All proposals received are hereby rejected except the proposal of PumpMan Inc. The Professional Services Agreement between the City and PumpMan Inc. is hereby approved. The Mayor is hereby authorized to execute the Agreement for an on behalf of the City.

PASSED, APPROVED AND ADOPTED this ___ day of _____, 2014.

ATTEST:

Lena Shumway
City Clerk

Tina Baca Del Rio, Mayor



PUMP SYSTEM SPECIALISTS™

CITY OF COMMERCE

Proposal for Consultant to perform storm drain pump station maintenance, repairs and assessment at four pump station locations in the city of Commerce.

“Initial cleaning, operational check and assessment for (4) storm drain underpass pump systems”

March 25, 2014



PUMP SYSTEM SPECIALISTS™

5020 Bleecker Street
Baldwin Park, CA 91706
Tel (626) 939-0300
Fax (626) 939-0346
info@pumpman.com
www.pumpman.com

March 24, 2014

Mr. Selim Bouhamidi
Public Works and Development Services
2535 Commerce Way
Commerce CA 90040

Attn: Public Works/ Development Services

Re: Proposal for: ***"Initial cleaning, operational check and Assessment" for (4) storm drain underpass pump systems (Atlantic Ave S. of Shelia, Eastern Ave S. of Commerce Wy, Garfield Ave S. of Ferguson, Washington Blvd @ Telegraph)***

PROPOSAL/ SCOPE OF SERVICES

1. Provide Traffic Plan indicating proposed method & equipment to be utilized for single lane closures while performing work. Set up Traffic control equipment prior to commencement of any work.
2. Provide Confined Space Entries with Certified Personnel using proper procedures & equipment as required by OSHA and local authorities to perform work within pump pits. Atmospheric conditions will be tested prior to entry and continuously while work is being performed. Assess whether Confined Space should be classified as "Permit required".
3. Test and inspect control systems for proper operation, including:
 - a) - Check & log voltages & amperages of each leg, static & under load.
 - b) - Test level control and alternating circuits for proper operation.
 - c) - Test Alarm functions (audible & visual).
 - d) - Test & verify operation & condition of disconnects.
 - e) - Inspect wiring and enclosures for any degradation.
 - f) - Tighten all electrical connections
 - g) - Test seal-fail circuits (Submersibles)
 - h) - Use thermal imaging camera to check for any electrical hot spots.
 - i) - Check pilot lights for illumination.
4. Test & inspect operation of pumps, including:
 - a) - Check & log voltages & amperages under load
 - b) - Inspect for vibrations under load.
 - c) - Meg-Ohm test motors to check integrity of stators, log all readings.
 - d) - Inspect seals for leakage (Dry pits)
 - e) - Inspect power & sensor cables for damage (Submersibles)
 - f) - Inspect power connections in motor junction boxes for loose or burnt wiring (Dry pits)
 - g) - Use thermal imaging camera to check motor & bearings for any excessive temperatures.



PUMP SYSTEM SPECIALISTS™

5020 Bleecker Street
Baldwin Park, CA 91706
Tel (626) 939-0300
Fax (626) 939-0346
info@pumpman.com
www.pumpman.com

h) - Lubricate & top-off motor & line-shaft oilers, Grease motor bearings iff/ as applicable

i) - Log elapsed time meter (ETM) readings iff/ as applicable.

5. Test & inspect Ladders, catwalks, railings etc. for damage and/ or corrosion.
6. Inspect piping & supports for corrosion & leakage.
7. Test & inspect check and isolation valves, verify they are holding. Exercise isolation valves.
8. Test & inspect vault Fans & lighting.
9. Sweep/ clean dry vault, remove any debris.
10. Clean & remove debris from Curbside catch basins & inlets. Inspect grating & safety access components.
11. Remove floating debris from wet well.
12. Pump-down water in wet well leaving only sludge. Remove sludge with Vacuum tanker truck.
13. Pressure-wash racks screens, pumps, piping & other equipment/ components in wet-well.
14. Refill wetwell with ample clean water, retest operation of pumps.
15. Lock all enclosures & access doors.
16. Identify all equipment and its overall condition.
17. Provide a written report of all findings.
18. Provide Proposal(s) for essential recommended repairs requiring immediate action, including code & safety violations/ hazards.
19. Meet with City Engineers & consultants to discuss upgrades/ improvements to systems. Provide Proposals accordingly.
20. Provide Performance Bond.
21. Supply & install (1) chain hoist with "I" beam above pump hatch, per RFQ (Atlantic Ave only)

Total price to perform the above services = **\$44,503.00**

A

Introduction - PumpMan Inc.

PumpMan Inc.

Pump System Maintenance, Repair and New Installations.

PumpMan provides complete services and repair capabilities of pumping systems. Our services include scheduled maintenance, on-site service, in-house repairs, system retrofits and upgrades, confined space entries, new systems, laser shaft alignment, impeller balancing, complete machine shop for repairs or rebuilds of pumps and motors, engineering and 24/7 emergency service.

5020 Bleecker Street
Baldwin Park, CA 91706

Main Phone: 626-939-0300
Fax: 626-939-0346
General Email: info@pumpman.com
Web Site: www.pumpman.com

Management

President/CEO

Eric Skjarstad
626-939-0300 Ext 205
Eric.Skjarstad@pumpman.com

General Manager

Elton Link
626-939-0300 Ext 215
Elton.Link@pumpman.com

Chief Financial Officer

Julie Hui
626-939-0300 Ext 200
Julie.Hui@pumpman.com

Key personnel assigned to this project and primary points of contact:

Planned Maintenance Manager

Keith Thomas
626-939-0300 Ext 201
Keith.Thomas@pumpman.com

Field Service Supervisor

Mike Woodward
626-939-0300 Ext 202
Mike.Woodward@pumpman.com

Service Dispatch/Scheduling

Sergio Torres
626-939-0300 Ext 203
Sergio.Torres@pumpman.com

General Manager

Elton Link
626-939-0300 Ext 215
Elton.Link@pumpman.com

After 4:30 PM our 24-hour answering service will take calls and contact our on call technician(s).

B

Approach and Scope of Work

PumpMans' approach to completing the proposed stormwater maintenance services shall include but not be limited to the following:

Planning:

We will produce a customized stormwater system maintenance program guideline and report for each of the four systems which will describe specific detailed methods and procedures to guide the maintenance activities. A copy of the Maintenance Report will be sent to the City following each maintenance service of each system.

Traffic/ Safety:

- ✓ A Traffic control Plan will be provided for each of the four system locations and submitted to the City for review, approval & permitting if/ as applicable. This portion of the work must be completed prior to commencement of any work that may disrupt normal traffic flow.
- ✓ Conduct an onsite Safety Tailgate Meeting with all PumpMan & Sub-contractor employees prior to commencement of any work.
- ✓ Traffic control set-up (per CA-MUTCD) is the first operation upon arrival to the job site.
- ✓ Confined Space Entry requirements - *NOTE: The pump vault and wet well are considered a confined space. Only properly trained personal equipped with the required safety equipment will be allowed to enter the confined space to perform maintenance or repair services. It has yet to be determined if any of these systems will need to be permanently designated as a "Permit Required Confined Space" until Atmospheric testing & monitoring is performed.*

Additional Safety Items to be addressed

- The overall project – Review the entire scope of work and sequence of tasks with all personnel.
- The chain of command. Who is in charge?
- Parts of the job and how they fit together.
- Individual responsibilities.
- The environment of the job, including: Traffic control, Pedestrian safety/ sidewalk access, Confined Space requirements including assigned duties of personnel, any other concerns.
- Safe work procedures – a step-by-step description of the workflow
- Hazards that may be encountered during the work eg: Chemical exposure, fire, Electrical, mechanical and what safety controls are required.
- Personal protective equipment (PPE) required: Hard Hats, High Visibility Vests or Jackets, Fall Protection, Harness, Rain Gear, Personal Respirator, Work Gloves, Safety Glasses/ goggles, Arc Flash equipment.
- Emergency procedures – What to do if there is a problem, Telephone numbers to call/ people to notify, location of first aid equipment, fire extinguishers, etc.
- Maps and contact information for nearest emergency medical facility.

Testing/ Inspections/ Service

Each entire pump system will be tested & inspected according to the following general Guidelines. Additional items may be added or deleted depending on system components:

- Manually trigger level controls to ensure that the pumps operate and alternate as designed
- Check Motor temperatures & amperages to ensure they are within specifications
- Check incoming voltages, static & under load

B

Approach and Scope of Work

- Remove any significant floating debris from wet well.
- Clean equipment room & immediate surrounding area
- Remove debris from curbside catch basins/ drop inlets (Recommended twice per year)
- Pressure wash sumps, screens, racks and pumps (Recommended twice per year)
- Visually inspect pump station, including but not limited to: pumps, controls, sumps, ladders, catwalks, screens, racks, piping, valves, fans, lighting etc.
- The wet well shall be cleaned to the floor level to eliminate sediment build-up which can impede pump operation & generate odors due to decomposition of organic matter in the wet well (Recommended twice per year)
- The wet well will also be inspected to determine if there are any vector control issues
- Top off line shaft & pump motor oilers if/ as applicable
- Change motor oil in turbine/ prop pumps (Recommended once per year)
- Meg-Ohm test all motors
- Exercise & test valves

Operation

After cleaning, the wet well will be partially filled with water to properly test run the pumps, ensuring there is no possibility for air lock, especially for submersible pumps. The system must then be refilled and left with enough water in it to ensure pumps will be operable should a rain event or other sources of inflow occur. These systems must not be left dry, therefore availability of water is essential.

Evaluate integrity of the pump system (For damages/ recommended repairs/ upgrades)

- ✓ Pumps, valves, piping & connections
- ✓ Lubrication systems
- ✓ Vault cover, including lifting mechanism (if applicable)
- ✓ Power cables and cable splices (if applicable)
- ✓ Level controls, wiring and supports
- ✓ Control box and control panel, (MCC, MCP)
- ✓ Alternating circuits
- ✓ Vibration
- ✓ Lighting
- ✓ Ventilation
- ✓ Safety Hazards
- ✓ Code violations
- ✓ Equipment upgrades

Note: If any of the pump systems components under maintenance agreement require repair or replacement, a Proposal for repairs will be promptly sent to the City of Commerce for approval. No repairs will occur without approval from the City engineering dept or authorized jurisdiction.

CEQA (California Environmental Quality Act):

PumpMan has limited experience providing these documents, however we do understand the intent of this Act and can conform to its requirements if/ as applicable.

We have been performing this type of pump system maintenance for decades on a regular basis and have yet to encounter any issues with pump system maintenance related to this Act. This type of work does not have a negative impact on the environment, in fact it typically improves the environment as any potentially hazardous waste products are hauled away via vacuum tanker trucks and disposed of at properly regulated facilities instead of being sent to the

B

Approach and Scope of Work

ocean. All loads of materials destined for the disposal facilities are properly documented/manifested as required by law.

Temporary Pumps for emergency dewatering

PumpMan presently has over fifty temporary submersible electric pumps of various sizes, including at least (2) 6" units; Four generators, one of which is 220 KVA, capable of generating up to 460/ 3; Three gasoline powered trash pumps with ample suction and discharge hoses to accommodate a number of pumps in an emergency flood situation.

THIS AGREEMENT (the "Agreement") dated as of _____, 2011 (the "Effective Date") is made by and between Pumpman ("Consultant") and the City of Commerce, a municipal corporation (the "City").

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 20 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.**

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 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. The City shall pay the full amount of such invoice; provided, however, that if the City or its City Administrator object to any portion of an invoice, the City shall notify Consultant of the City's objection and the grounds therefore within thirty (30) days of the date of receipt of the invoice; the parties shall immediately make every effort to settle the disputed portion of the invoice.

4. **Financial Records.**

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.

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 City Administrator.

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. The names of the Responsible Principal and the Project Manager are listed in Exhibit A.

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.

1. 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 and shall comply with any directions of governmental agencies and the City relating to safety, security, and the like.

11. Insurance.

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

12. Warranty and Liability.

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.

13. Indemnification.

Consultant shall indemnify and hold the City and their respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses the City and their respective officials, officers, agents and employees hereafter may suffer in connection with any claim, action, or right 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.

14. Confidentiality.

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

2. 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 disposed 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.

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

All information, data, records, reports and maps as are in possession of the City, and necessary for the carrying out of this work, shall be made available to Consultant without charge. The City shall make available to Consultant, members of the City's staff for consultation with Consultant in the performance of this Agreement. The City 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 City and Consultant agree that the City shall have no liability should any of the information, data, records, reports, and maps be inaccurate, incomplete or misleading.

17. 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, City or percentage from the award or making of this Agreement, except for subcontractors listed in this Agreement. For breach or violation of this warranty, the City shall have the right,

among other available legal remedies, to terminate this Agreement without liability, or in its discretion, to deduct from the consideration payable to Consultant, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

38. 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.

19. 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 City's prior written consent, perform services for any person, firm, or corporation other than City if such services could lead to a conflict with Consultant's obligations under this Agreement.

20. 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 25 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 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.

4. 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.

52. 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.

63. 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.

74. 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.

85. 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 Consultant:

Pumpman
5020 Bleecker Street
Baldwin Park, CA 91706
Attn: Elton Link, General Manager

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.

96. 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.

107. 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.

28. 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.

29. 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 City.

30. 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.

31. 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: ____, 2014

By: _____
Tina Baca Del Rio, Mayor

ATTEST:

Lena Shumway, City Clerk

CONSULTANT

DATED: ____, 2011

By: _____
Name: Eric Sjarstad
Title: President

APPROVED AS TO FORM

By: Eduardo Olivo
Title: City Attorney

EXHIBIT A

EXHIBIT B

REQUIRED INSURANCE

On or before beginning any of the Services called for by any term of this Agreement, Consultant, at its own cost and expense, shall carry, maintain for the duration of this Agreement, and provide proof thereof that is acceptable to the City of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to the City. Consultant shall not allow any subcontractor to commence work on any subcontract under this Agreement until all insurance required of Consultant have also been obtained for the or by the subcontractor. Such insurance shall not be in derogation of Consultant's obligations to provide indemnity under Section 14 of this Agreement.

1. Comprehensive General Liability and Automobile Liability Insurance Coverage.

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

Minimum coverage: Bodily injury limits of \$1,000,000 for each person and \$2,000,000 for each occurrence; property damage limits of \$500,000 for each occurrence, \$2,000,000 aggregate.

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

2. Errors and Omissions Insurance Coverage.

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

3. Worker's Compensation.

Consultant shall carry and maintain worker's compensation as required by the California Labor Code for all persons employed directly or indirectly in connection with this Agreement by Consultant or any subcontractor.

4. Additional Insureds.

The City, its officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Agreement. An endorsement to

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

5. Cancellation Clause.

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

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

6. Severability Clause.

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

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

7. Qualifications of Insurer.

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

8. Approval of Insurer.

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

9. Payment of Premiums.

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

10. Evidence of Insurance and Claims.

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



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. **13**

FROM: City Administrator

SUBJECT: PUBLIC HEARING - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE AMENDING TITLE 6 ("HEALTH AND SANITATION") OF THE COMMERCE MUNICIPAL CODE, SECTION 6.08 (DONATION COLLECTION BINS) - FIRST READING

MEETING DATE: July 1, 2014

RECOMMENDATION:

Approve the Ordinance for first reading.

MOTION:

1. Open the public hearing.
2. Move to read the Ordinance by title only and approve for first reading.

BACKGROUND:

There has been a recent surge in the number of unattended donation collection bins throughout the City of Commerce. These large metal containers are used for soliciting donations of clothing and other salvageable personal property and have been placed in unauthorized locations such as public rights-of-way and required parking spaces. The City's Code Enforcement Division has recently documented 21 unattended donation collection bins throughout Commerce.

Currently, the Commerce Municipal Code does not address donation collection bins. If not regularly maintained, unattended donation collection bins can become nuisances by attracting graffiti and trash. In addition, because donation bins are unattended and not monitored on a regular basis, items are left on the ground adjacent to the bin until they are picked up by the sponsoring organization. Because these donation collection bins can create adverse impacts, the City has determined that it is necessary to create standards in order to regulate them.

ANALYSIS:

On March 4, 2014, the City Council discussed this matter and provided staff with feedback and direction regarding the establishment of an ordinance regulating the placement of

donation collection bins. Staff presented the Council with several options to regulate them, included prohibiting the donation bins, requiring a Conditional Use Permit or permit via administrative process, and permitting donation bins only at locations occupied by eligible non-profit organizations. After some discussion, the City Council directed staff to prepare an ordinance that only allows donation collection bins at locations occupied by eligible non-profit organizations, and subject to specific standards. The proposed ordinance is summarized below:

- An administrative permit must first be obtained from the city and must be renewed on an annual basis.
- Donation collection bins are allowed **only** at locations occupied by eligible non-profit organizations (one donation bin per parcel).
- The unattended donation bin must be placed immediately adjacent to the non-profit organization's building and set back at least 20 feet from the front property line.
- Donation bins must be labeled with the name, address, email, and phone number of both the permittee and operator and must also include a statement describing the charitable cause that will benefit from the donations.
- The non-profit organization sponsoring the donation bin is responsible for the maintenance (physical condition and trash removal) and regular removal of salvageable property in and around the donation bin.

As stated above, the proposed ordinance includes an administrative permit process. Along with the permit, the ordinance also references a fee for said permit, as well as its renewal. The City of Sacramento charges \$200 for a similar permit, while the City of Folsom charges \$171 for a permit and \$43 for a renewal.

Planning staff currently charges \$75 for the processing of a Temporary Use Permit (TUP) application. Upon submittal of an application, it is routed to different Departments/Divisions (Building, Code Enforcement, Sheriff's, etc) for their input. If there are no concerns, the necessary permit/s can be issued. However, if there are issues with a proposal, the applicant is provided with them in writing and must work to ensure compliance prior to permit issuance. Staff believes the permitting process for a donation bin will be similar to that of a TUP application. Therefore, staff would recommend a fee of \$75 for a donation bin permit, as well as for the renewal of said permit. If the City Council is comfortable with the recommended fee, staff can formalize it in a Resolution and bring it back before the Council pursuant to standard operating procedures.

ALTERNATIVES:

1. Provide staff with alternative direction.

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This agenda report relates to the 2011 strategic planning goal: "*Protect and Enhance the Quality of Life in the City of Commerce*".

Recommended by:

Maryam Babaki
Director of Public Works &
Development Services

Respectfully submitted:

Jorge Rifa
City Administrator

Prepared by:

Matt Marquez
City Planner

Approved as to form:

Eduardo Olivo
City Attorney

Reviewed by:

Vilko Domic
Finance Director

Attachments:

- 1) City Council Ordinance
- 2) Sample Standards/Ordinances

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
COMMERCE, CALIFORNIA ADDING SECTION 6.08 ("DONATION
COLLECTION BINS") TO TITLE 6 ("HEALTH AND SANITATION") OF
THE COMMERCE MUNICIPAL CODE**

WHEREAS, the placement of unattended donation collection bins has increasingly become an issue in the City of Commerce ; and

WHEREAS, unattended donation collection bins are used for soliciting donations of clothing and other salvageable personal property. Improperly placed collection bins can create a hazard by obstructing public rights-of-way or required parking spaces and can create a nuisance by attracting graffiti and trash if not properly maintained and regularly emptied; and

WHEREAS, unattended donation collection bins are not specifically addressed in the Commerce Municipal Code; and

WHEREAS, the City of Commerce City Council has directed staff to prepare an ordinance regulating the placement of unattended collection bins.

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

Section 1. Chapter 6.08 ("Donation Collection Bins") is hereby added to Title 6 ("Health and Sanitation") of the Commerce Municipal Code, to read as follows:

CHAPTER 6.08

DONATION COLLECTION BINS

Sections:

- 6.08.010 Purpose and intent.
- 6.08.020 Definitions.
- 6.08.030 Permits.
- 6.08.040 Renewal of Permits.
- 6.08.050 Requirements and maintenance.
- 6.08.060 Revocation of permit, removal of donation collection bins and liability.
- 6.08.070 Appeal to City Administrator.
- 6.08.080 Administrative Fees.
- 6.08.090 Exemptions.

6.08.010 Purpose and intent.

The purpose of this Chapter is to regulate the placement of donation collection bins within the City. The procedures and requirements of this Chapter are enacted to:

- (a) Promote the city's health, safety and welfare by regulating donation collection bins for clothing or other salvageable personal property within the City;
- (b) Ensure that donation collection bins do not pose a hazard to pedestrian and vehicular traffic;
- (c) Ensure that material is not allowed to accumulate outside of the donation collection bins; and
- (d) Establish criteria that avoids creating a nuisance or public health hazard.

6.08.020 Definitions.

As used in this chapter, the following definitions shall apply.

Donation Collection Bin. A bin, canister, box, receptacle, or similar device, used for soliciting and collecting donations of salvageable personal property.

Director. The director of the Public Works and Development Services of the City of Commerce or designee.

Eligible Organizations. Those organizations identified in the Welfare and Institutions Code Section 148.3 and the Revenue and Taxation Code Sections 23701(d) and (f), as amended, who engage in the collection, solicitation, and or sale of Salvageable Personal Property.

Non-Profit Organization. An organization that is exempt from taxation pursuant to Section 501(c)(3) or 501(c)(4) of the United States Internal Revenue Code, as amended.

Operator. A person, entity, association or organization that places, maintains or operates donation collection bin(s) to solicit donations of salvageable personal property.

Permittee. The person or entity who is issued a permit authorizing placement of donation bin(s).

Property owner. The person, entity, association or organization who owns the real property where the donation bin(s) are or are proposed to be located.

Salvageable Personal Property. Any type of corporeal personalty, new or used, but not including money or evidence of debt. This term does not include recyclable material governed or regulated by state law such as those for bottles and cans.

6.08.030 Permits.

Only Non-profit Organizations that are Eligible Organizations as defined in Section 6.08.020 of this Chapter may apply for a donation collection bin permit. Placement of a bin shall only be allowed within the building or site of the Eligible Non-profit Organization.

- A. It shall be unlawful and a public nuisance for any property owner or operator to place, operate, maintain or allow donation collection bins on real property unless a permit is first obtained pursuant to this chapter and the donation collection bin is placed, operated and maintained in accordance with all provisions in this chapter.
- B. The permit application shall be made on a form provided by the Director and shall include the following information:
 - 1. The name, address, email, website (if available) and telephone number of the applicant;
 - 2. Written proof sufficient to establish that the operator who will utilize the donation collection bin is qualified to solicit donations of salvageable personal property pursuant to California Welfare and Institutions Code Section 148.3, as amended;
 - 3. The text of the disclosures that will be made on the donation collection bins including the name, address, email, and phone number of both the permittee and operator; and
 - 4. A drawing to indicate the proposed location of the donation collection bin on the property owner's real property, as well as the size of the proposed unattended donation bin.
- C. Each application shall be accompanied by a nonrefundable fee in the amount established by City Council resolution as provided for in Section 6.08.080 of this chapter. This fee shall be in addition to any fee or tax imposed by the City pursuant to any other provision of this code.
- D. Applications shall be filed with the Director.

- E. Within thirty days of receiving a completed application, the Director shall issue a permit or deny the issuance of a permit.
- F. The Director shall not issue a permit unless:
 - 1. The applicant has submitted a complete and accurate application accompanied by the applicable fee;
 - 2. The operator who will maintain or operate the donation collection bin is qualified to solicit donations of salvageable personal property pursuant to California Welfare and Institutions Code Section 148.3, as amended;
 - 3. The proposed location and placement of the donation collection bin on the property owner's real property is in compliance with all applicable laws and will not impede pedestrian, bicycle, site distances onto adjacent streets or vehicular traffic.
- G. If the Director denies an application, the director shall state, in writing, the specific reasons for denial.
- H. Permit issued hereunder shall be valid for only one donation collection bin.
- I. The term of the permit shall expire one year from the date of issuance.
- J. No person or operator to whom a permit has been issued shall transfer, assign, or convey such permit to another person or operator.
- K. Prior to expiration of the permit, the permittee may voluntarily cancel the permit by notifying the Director in writing of the intent to cancel the permit. The permit shall become void upon the director's receipt of a written notice of intent to cancel the permit.

6.08.040 Renewal of permits.

- A. A permittee may apply for permit renewal by submitting to the Director, before the expiration of the permit, a renewal application and a nonrefundable renewal fee in an amount set by resolution of the city council.
- B. The Director shall either approve or deny the renewal of a permit within thirty days of receipt of the complete renewal application and payment of the renewal fee.

- C. The Director shall approve the renewal of a permit if he or she finds that no circumstances existed during the term of the permit, existed at the time of submission of an application for renewal, or existed at any time during the review of the application for renewal that are inconsistent with any finding required for approval of a new permit or that would justify the revocation of the permit.

6.08.050 Requirements and maintenance.

- A. A permittee shall operate and maintain or cause to be operated and maintained all donation collection bins located in the city as follows:
 - 1. The donation collection bin shall be located immediately adjacent to the non-profit organization's building and set back at least 20 feet from the front property line.
 - 2. Donation collection bins shall be maintained in good condition and appearance with no structural damage, holes, or visible rust, and shall be free of graffiti;
 - 3. Donation collection bins shall be locked or otherwise secured;
 - 4. Donation collection bins shall contain at least the following contact information in two-inch type visible from the front of each unattended donation bin: the name, address, email, and phone number of both the permittee and operator;
 - 5. Donation collection bins shall contain a statement describing the charitable cause that will benefit from the donations; and
 - 6. Donation collection bins shall be serviced and emptied as needed, but at least once per month, or within five business days of a request by the Director.
- B. The permittee shall maintain or cause to be maintained the area surrounding the donation collection bin free of any junk, garbage, trash, debris or other refuse material.
- C. The permittee and operator shall be individually and severally responsible for abating and removing all junk, garbage, trash, debris and other refuse material in the area surrounding the donation collection bin within twenty-four hours of written or verbal notice from the city.

- D. The permittee and operator shall be individually and severally responsible for all costs for abating and removing any junk, garbage, trash, debris and other refuse material from the area surrounding the donation collection bin.
- E. No donation collection bin shall be placed within one-thousand feet from another donation collection bin.
- F. No donation collection bin shall be placed in a required parking area or space.
- G. The location and placement of any donation collection bin shall be in compliance with all applicable laws and shall not impede vehicular, pedestrian or bicycle access or maneuvering, as well as any site distances on to adjacent streets.
- H. No more than one donation collection bin shall be placed on each parcel of real property.

6.08.060 Revocation of permit, removal of donation collection bins and liability.

The Director shall have the right to revoke any permit issued hereunder if any of the grounds upon which he or she may refuse to issue an initial permit exists. In addition, the failure of the permittee to comply with the provisions of this chapter or other provisions of this code or other law shall also constitute grounds for revocation of the permit. The Director shall provide a written notification to the permittee stating the specific grounds for revocation. Upon revocation, the donation collection bin shall be removed from the permittee's real property within thirty calendar days and, if not removed within this time period, the city may remove, store and dispose of the donation collection bins at the permittee's sole cost and expense. Upon revocation, a permittee shall be prohibited from applying for a permit for a period of one year. Any violation of the provisions of this chapter is a public nuisance subject to abatement pursuant to this code or as otherwise permitted by law.

6.08.070 Appeal to City Administrator.

Any person aggrieved by the decision rendered by the Director in granting or denying an application for a permit under this chapter or in revoking or refusing to renew a permit issued hereunder may appeal the decision to the City Administrator. The appeal shall be made by filing a written notice thereof with the City Clerk not later than ten calendar days after receiving notice of the decision of the Director. The City Administrator shall review the appeal within thirty calendar days and, the decision of the City Administrator shall be final.

6.08.080 Administrative fees.

The City Council shall, by resolution, establish reasonable fees and deposits to defray the cost of processing applications, proposals and for the administration of this chapter.

6.08.090 Exemption.

Unattended donation boxes located entirely within the interior of a building are exempt from the requirements of this chapter.

Section 2. This Ordinance shall take effect on the thirty-first (31st) day after its adoption.

PASSED, APPROVED, AND ADOPTED this _____ day of _____, 2014.

Tina Baca del Rio
Mayor

ATTEST:

Lena Shumway
City Clerk



SUCCESSOR AGENCY AGENDA REPORT

TO: Successor Agency Board of Directors I

Item No. 14

FROM: City Administrator

SUBJECT: A Resolution of the Successor Agency to the Commerce Community Development Commission approving a Contingent Agreement to Purchase and Sell with Gatwick Group, LLC for the properties located at 4957 Sheila Street and 4800 Washington Boulevard Commerce, California 90040

MEETING DATE: JULY 1, 2014

RECOMMENDATION:

Approve the Resolution which will approve a Contingent Agreement to Purchase and Sell with Gatwick Group, LLC for the properties located at 4957 Sheila Street and 4800 Washington Boulevard, in the City of Commerce.

BACKGROUND:

As part of the 2011-12 State budget bill, the California Legislature enacted and the Governor signed Assembly Bill 1X 26 ("AB 26"), requiring that each redevelopment agency in the State be dissolved. The Supreme Court upheld the constitutionality of AB 26 in the case of *California Redevelopment Association et al., v. Ana Matosantos, as Director, etc.*, Case No. S194861. One of the core requirements of AB 26 was that the successor agencies to the dissolved redevelopment agencies, with Oversight Board approval, dispose of redevelopment agency-owned properties, realizing the highest achievable property value in a timely fashion.

On April 9, 2012, the Successor Agency to the Commerce Community Development Commission (the "Successor Agency") received an offer from Gatwick Group, LLC ("Gatwick") for the purchase of the properties located at 4957 Sheila Street (APN No. 5244-034-900) and 4800 Washington Boulevard (APN No. 5244-033-900) Commerce, California 90040 (the "Properties"). The Commerce Community Development Commission

(“Commission”) purchased the Properties for potential redevelopment purposes. Therefore, they were subject to disposition pursuant to the requirements of AB 26.

Gatwick desires to assemble the Properties under a single ownership for the purpose of pursuing a development project. Gatwick’s purchase offer was for a total of Two Million Six Hundred Sixty Thousand Dollars (\$2,660,000). Gatwick provided an appraisal of the Properties from Frazier Capital Valuation in support of its offer.

On June 5, 2012, the Successor Agency approved the hiring of an appraiser to provide an individual appraisal of the Properties. On June 6, 2012, the Successor Agency hired DMD Appraisals to prepare the individual appraisal of the Properties. These actions were also approved by the Oversight Board to the Successor Agency.

The DMD appraisal concluded that the Properties were worth Three Million Nine Hundred Thirty-Two Thousand Dollars (\$3,932,000). Staff provided the appraisal to Gatwick. In response, Gatwick raised its offer to Three Million Two Hundred Sixty-Six Dollars (\$3,266,000), which was half of the difference between the two appraisals.

Staff advised the Successor Agency and the Oversight Board of Gatwick’s counteroffer. The Successor Agency and the Oversight Board approved the price and requested that Successor Agency Counsel negotiate a purchase and sale agreement with Gatwick for the Properties.

On October 16, 2012, the Successor Agency approved a purchase and sale agreement (hereinafter referred to as the “Purchase and Sale Agreement”) that provided that Gatwick will pay Two Million Seven Hundred Thirty-Seven Thousand and Seven Hundred Thirty Dollars (\$2,737,730) for the property located at 4957 Sheila Street, Commerce, California, and Five Hundred Fifty-Eight Thousand and Two Hundred Seventy Dollars (\$558,270) for the property located at 4800 Washington Boulevard, Commerce, California, for a total price for the Properties of Three Million Two Hundred Ninety-Six Thousand Dollars (\$3,296,000) for the Properties.

On June 27, 2012, as part of the Fiscal Year 2012-13 State of California budget bill, the Governor signed into law Assembly Bill 1484 (“AB 1484”), which modified or added to AB 26. The enactment of AB 1484, which was intended to clean up and clarify the provisions of AB 26, created uncertainty as to when successor agencies could sell properties previously owned Commission. Successor agencies were previously required by AB 26 to dispose of their real property assets “as expeditiously as possible.” AB 1484, however, provided for the preparation and approval of a Long-Range Property Management Plan (“LRPMP”) after the Department of Finance issued a “finding of completion.” The LRPMP was required to address the disposition and use of all real property owned by the former

redevelopment agency. Successor agencies were required to submit the LRPMP to the Oversight Board and the Department of Finance for approval no later than six months following the issuance of the finding of completion.

After the Successor Agency approved the Purchase and Sale Agreement on October 16, 2012, Successor Agency staff confirmed, after consultation with the Department of Finance, that the Successor Agency could not dispose of any property previously owned by the Commission until after the Oversight Board and the Department of Finance approved of the completed LRPMP. Successor Agency staff determined that the Purchase and Sale Agreement could not be processed further at that time. By letter dated January 3, 2013, the Successor Agency informed Gatwick of these developments and advised that the Purchase and Sale Agreement would not be processed further at that time; that it would not be submitted to the Oversight Board for approval. The Successor Agency advised that the Properties would be identified on the LRPMP and would be processed according to the requirements of AB 1484.

The Successor Agency informed the Department of Finance by way of the LRPMP that Gatwick would be purchasing the Properties according to the provisions of the Purchase and Sale Agreement. On May 19, 2014, the Department of Finance approved the Successor Agency's LRPMP. The approval of the LRPMP allows the Successor Agency to move forward with the disposition of Commission-owned properties as set forth in the LRPMP.

ANALYSIS:

The approval of the LRPMP by the Department of Finance took much longer than anticipated. Although the Successor Agency previously approved the Purchase and Sale Agreement, staff has determined that the Agreement should be re-submitted and re-approved by the Successor Agency.

Successor Agency staff believes that the previously agreed-to purchase price should not be changed. The parties previously exchanged appraisals and negotiated a price for the Properties that was acceptable to Successor Agency and the Oversight Board. Thus, the revised Purchase and Sale Agreement still provides that Gatwick will pay Two Million Seven Hundred Thirty-Seven Thousand and Seven Hundred Thirty Dollars (\$2,737,730) for the property located at 4957 Sheila Street, Commerce, California, and Five Hundred Fifty-Eight Thousand and Two Hundred Seventy Dollars (\$558,270) for the property located at 4800 Washington Boulevard, Commerce, California, for a total price for the Properties of Three Million Two Hundred Ninety-Six Thousand Dollars (\$3,296,000) for the Properties.

The Properties are part of a 13.16 acre site that is the subject of an application by Gatwick for a Specific Plan that is currently pending before the City of Commerce to allow the development of a retail center (the "Project"). An environmental impact report ("EIR") will be prepared pursuant to the requirements of the California Environmental Quality Act ("CEQA") to analyze the potential environmental impacts of the Project before it is considered by the City's Planning Commission and City Council. Pursuant to AB 1484, the Successor Agency is considered a separate public agency. California Health & Safety Code Section 34173(g). The Successor Agency's approval of the Purchase and Sale Agreement does not constitute approval of the Project. Further, the Successor Agency does not have authority to approve the Project.

In order to avoid unnecessary confusion or argument, the proposed Purchase and Sale Agreement sets forth the terms upon which Gatwick will purchase the Properties in the event the Project is ultimately approved by the City. However, the City must first approve of the Project based upon information produced from the CEQA environmental review process and all other applicable public review and hearing processes. The Purchase and Sale Agreement does not, in any way, limit the City's authority to disapprove the Project, in whole or in part, or to consider any alternative to the Project, including an alternative site for the Project. Nor shall anything in the Purchase and Sale Agreement in any way limit the City's discretion to modify and/or impose mitigation measures on the Project. The City maintains the sole and absolute discretion to deny, modify or condition the Project, and nothing in the Purchase and Sale Agreement shall be construed to alter or impose any limitations on the City's reserved police powers and legislative discretion. In the event the City Council rejects the Project and does not approve it, the Purchase and Sale Agreement shall automatically and immediately terminate.

ALTERNATIVES:

1. Approve the Resolution approving and the Purchase and Sale Agreement.
2. Provide staff with other direction.

FISCAL IMPACT:

The Successor Agency's approval will comply with its obligations under AB 26 and AB 1484 to dispose of the assets previously owned by the Commerce Community Development Commission. The Purchase and Sale Agreement must also be submitted and approved by the Oversight Board and then the Department of Finance. If these approvals occur and the purchase is completed, the purchase price amount of Three Million Two Hundred Sixty-Five Thousand and Five Hundred Dollars (\$3,265,500) will be

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forwarded by Successor Agency to the appropriate taxing agencies as required by AB 26 and AB 1484.

Recommended by: Jorge Rifa, City Administrator
Reviewed by: Vilko Domic, Director of Finance
Approved As To Form: Eduardo Olivo, City Attorney
Respectfully Submitted: Jorge Rifá, City Administrator

ATTACHMENT:
Resolution

Agenda 2014-14 Gatwick Group, LLC Purchase and Sale Agreement

4827-5036-6748, v. 1

RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING A PURCHASE AND SALE AGREEMENT WITH GATWICK GROUP, LLC FOR THE PROPERTIES LOCATED AT 4957 SHEILA STREET AND 4800 WASHINGTON BOULEVARD, COMMERCE, CALIFORNIA 90040

WHEREAS, Successor Agency to the Commerce Community Development Commission (the "Successor Agency") was required under AB 1X 26 to dispose of property formerly owned by the Commerce Community Development Commission; and

WHEREAS, on October 16, 2012, the Successor Agency approved a purchase and sale agreement with Gatwick Group, LLC ("Gatwick") for properties located at 4957 Sheila Street (APN 5244-034-900) and 4800 Washington Boulevard (APN 5244-033-900), Commerce, California 90040 (the "Properties") for a total of Three Million Two Hundred Sixty-Six Dollars (\$3,266,000); and

WHEREAS, on June 27, 2012, AB 1484, which modified or added to AB 26, was enacted. The enactment of AB 1484, which was intended to clean up and clarify the provisions of AB 26, created uncertainty as to when successor agencies could sell previously owned Commission properties. Successor agencies were previously required by AB 26 to dispose of their real property assets "as expeditiously as possible." AB 1484, however, provided for the preparation and approval of a Long-Range Property Management Plan ("LRPMP") after the Department of Finance issued a "finding of completion." The LRPMP was required to address the disposition and use of all real property owned by the former redevelopment agency. Successor agencies were required to submit the LRPMP to the Oversight Board and the Department of Finance for approval no later than six months following the issuance of the finding of completion; and

WHEREAS, after the Successor Agency approved the Purchase and Sale Agreement on October 16, 2012, Successor Agency staff confirmed, after consultation with the Department of Finance, that the Successor Agency could not dispose of any property previously owned by the Commission until after the Oversight Board and the Department of Finance approved of the completed LRPMP. Successor Agency staff determined that the Purchase and Sale Agreement could not be processed further at that time. Successor Agency staff informed Gatwick of these developments and advised that the Purchase and Sale Agreement would not be processed further at that time. The Successor Agency advised that the Properties would be identified on the LRPMP and would be processed according to the requirements of AB 1484; and

WHEREAS, the Successor Agency informed the Department of Finance by way of the LRPMP that Gatwick would be purchasing the Properties according to the provisions of the Purchase and Sale Agreement. On May 19, 2014, the Department of Finance approved the Successor Agency's LRPMP. The approval of the LRPMP allows the Successor Agency to move forward with the disposition of Commission-owned properties as set forth in the LRPMP; and

WHEREAS, Successor Agency staff has determined that the Purchase and Sale Agreement should be re-approved by the Successor Agency; and

WHEREAS, the Properties are part of a 13.16 acre site that is the subject of an application by Gatwick for a Specific Plan that is currently pending before the City of Commerce to allow the development of a retail center (the "Project"). An environmental impact report ("EIR") will be prepared pursuant to the requirements of the California Environmental Quality Act ("CEQA") to analyze the potential environmental impacts of the Project before it is considered by the City's Planning Commission and City Council. Pursuant to AB 1484, the Successor Agency is considered a separate public agency. California Health & Safety Code Section 34173(g). The Successor Agency's approval of the Purchase and Sale Agreement does not constitute approval of the Project. Further, the Successor Agency does not have authority to approve the Project; and

WHEREAS, the proposed Purchase and Sale Agreement sets forth the terms upon which Gatwick will purchase the Properties in the event the Project is ultimately approved by the City. However, the City must first approve of the Project based upon information produced from the CEQA environmental review process and all other applicable public review and hearing processes. The Purchase and Sale Agreement does not, in any way, limit the City's authority to disapprove the Project, in whole or in part, or to consider any alternative to the Project, including an alternative site for the Project. Nor shall anything in the Purchase and Sale Agreement in any way limit the City's discretion to modify and/or impose mitigation measures on the Project. The City maintains the sole and absolute discretion to deny, modify or condition the Project, and nothing in the Purchase and Sale Agreement shall be construed to alter or impose any limitations on the City's reserved police powers and legislative discretion. In the event the City Council rejects the Project and does not approve it, the Purchase and Sale Agreement shall automatically and immediately terminate.

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

Section 1. The Purchase and Sale Agreement between the Successor Agency and Gatwick Group, LLC, is hereby approved. The Successor Agency Chairperson is

authorized to execute the Purchase and Sale Agreement for and on behalf of the Successor Agency.

Section 2. Successor Agency staff is directed to transmit this Resolution to the Oversight Board for the Successor Agency for their review and consideration of approval consistent with the requirements of AB x1 26 and AB 1484.

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 1st day of July 2014.

Lilia Leon, Chairperson

ATTEST:

Lena Shumway
Secretary

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

THIS CONTINGENT AGREEMENT TO PURCHASE AND SELL REAL ESTATE (this "Agreement") is made, entered into and executed in duplicate originals, either copy of which may be considered and used as the original hereof for all purposes, as of this _____ day of _____, 2014 (the "Effective Date"), and is entered into by and between the City of Commerce, as the Successor Agency to the Commerce Community Development Commission ("Seller"), and Gatwick Group, LLC ("Buyer").

1. AGREEMENT CONTINGENT ON CEQA COMPLIANCE AND PROJECT APPROVAL.

The property that is the subject of this Agreement (the "Property," more fully described below) is part of a 13.16 acre site that is the subject of an application for Specific Plan No. 13-01 (the "Application") currently pending before the City of Commerce to allow the development of a retail center (the "Project"). An environmental impact report ("EIR") will be prepared pursuant to the requirements of the California Environmental Quality Act ("CEQA") to analyze the potential environmental impacts of the Project before it is considered by the City's Planning Commission and City Council. This Agreement sets forth the terms upon which Buyer will purchase the Property from Seller in the event the Project is ultimately approved, but is contingent upon the City approving the Project based upon information produced from the CEQA environmental review process and all other applicable public review and hearing processes. Nothing in this Agreement shall limit the City's authority to disapprove the Project, in whole or in part, or to consider any alternative to the Project, including an alternative site for the Project. Nor shall anything in this Agreement in any way limit the City's discretion to modify and/or impose mitigation measures on the Project. City shall maintain sole and absolute discretion to deny, modify or condition the Project, and nothing in this Contingent Agreement shall be construed to alter or impose any limitations on the City's reserved police powers and legislative discretion.

In the event the City Council rejects the Project and does not approve it, this Agreement shall automatically and immediately terminate. In the event the City Council certifies the EIR and approves the Project, the date the City Council approves Specific Plan No. 13-01 shall be considered the "Project Approval Date" for purposes of this Agreement.

2. PROPERTY.

Subject to Section 1 above, Seller agrees to sell, transfer, and convey to Buyer, and Buyer agrees to purchase from Seller, upon the terms, provisions and conditions hereinafter set forth, all of Seller's rights, interest, and title in and to the Property described as follows:

That real property located on the corner of Atlantic and Washington Boulevards, commonly known as 4957 Sheila Street (APN 5244-034-900), Commerce, California 90040 identified [as a portion of Lot 2 of Tract No. 7275, as per map recorded in Book 109, Pages 88-89 of Maps, in the Office of the Los Angeles County Recorder,] which is more particularly described in Exhibit

“A” which is attached hereto and incorporated herein by this reference. The Property consists of approximately One Hundred Thirty Three Thousand Seven Hundred Twenty Nine (133,729) square feet of commercial land; and

That real property located on the corner of Atlantic and Washington Boulevards, commonly known as 4800 Washington Boulevard (APN No. 5244-033-900) , Commerce, California 90040 identified [as a portion of Lots 41, 42, 43 and 45 of Tract No. 7275, as per map recorded in Book 109, Pages 88-89 of Maps, in the Office of the Los Angeles County Recorder,] which is more particularly described in Exhibit “B” which is attached hereto and incorporated herein by this reference. The Property consists of approximately Nineteen Thousand Five Hundred and Seventy (19,570) square feet of unimproved commercial land.

3. PURCHASE PRICE.

The purchase price which Seller agrees to accept for the Property and which Buyer agrees to pay therefor is the sum of Two Million Seven Hundred Thirty Seven Thousand Seven Hundred Thirty Dollars and No Cents (\$2,737,730.00) for the property referenced in Section 2 above as 4957 Sheila Street, Commerce, California, and a price of Five Hundred Fifty Eight Thousand Two Hundred Seventy Dollars and No Cents (\$558,270.00) for the property referenced in Section 2 above as 4800 E. Washington Boulevard, Commerce California, for a total price for the Property of Three Million Two Hundred Ninety-Six Thousand Dollars and No Cents (\$3,296,000.00) (the "Purchase Price"). The Purchase Price shall be payable as follows:

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

(b) Closing. At the Closing (defined below), on the Closing Date, the Earnest Money (and interest thereon) shall be applied against and in payment of the Purchase Price. The balance of the Purchase Price shall be paid by Buyer in cash through Escrow. Except as otherwise set forth herein, if Buyer terminates this Agreement or if the Closing does not occur by the Closing Date, the Earnest Money shall be nonrefundable and shall be kept by Seller.

4. CONVEYANCE OF TITLE.

At Closing, Seller shall convey by Grant Deed(s) to Buyer marketable fee simple title to the Property free and clear of all recorded and unrecorded liens, encumbrances and defects, including assessments, leases and taxes, EXCEPT:

- (a) Ad valorem taxes for the then current tax year;
- (b) Utility and quasi-public utility, sewer and water easements, public alley, public street easements and public rights-of-way of record;
- (c) A lease between the Commerce Community Development Commission and Nada Bus Corporation (the "Lease"). Seller shall assign all of its rights, interests and obligations under the Lease to Buyer (the "Assignment of Lease") at the time of Closing. The Assignment of Lease shall be in the form of the assignment agreement attached hereto as Exhibit "C" and incorporated herein by reference;
- (d) Any easements existing at the time of the Effective Date of this Agreement, including the easement agreement in favor of the Union Pacific Railroad.
- (e) As otherwise approved by Buyer pursuant to this Agreement.

5. ESCROW.

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

6. ESCROW AGENT.

Escrow Agent is authorized to:

- (a) Pay and charge the Seller:
 - (i) for any delinquent taxes;
 - (ii) for any penalties and interest thereon;
 - (iii) for any delinquent or non-delinquent assessments for bonds against the Property and for any amount necessary to place title in the condition necessary to satisfy Section 4 of this Agreement;
 - (iv) for documentary transfer taxes applicable to the sale;
 - (v) for fifty percent (50%) of escrow fees; and
 - (vi) for an amount equal to the standard premium charged to the Title Company for a CLTA Title Policy with a face amount of insurance equal to the purchase price of the Property.
- (b) Pay and charge the Buyer for fifty percent (50%) of escrow fees, as well as charges, and costs, except taxes.
- (c) Disburse funds and deliver the Grant Deed(s) and Assignment of Lease consistent with this Agreement when conditions of this escrow have been fulfilled by the Buyer and Seller.

7. TITLE REPORT.

(a) Within ten (10) business days after the Project Approval Date, Seller shall obtain or be furnished by Escrow Agent, at Seller's sole cost and expense, a preliminary title report ("PTR"). Buyer shall have a period of thirty (30) business days from receipt of the PTR, to review the PTR and: (i) deliver to Seller and Escrow Agent such objections as Buyer may have to anything contained or set forth in the PTR ("Buyer's Objections"), or (ii) request from Seller any documents referred to in the PTR as conditions, exceptions, or reservations to the Property. If Buyer requests documents from Seller pursuant to the preceding sentence, Buyer shall have ten (10) business days from receipt of such documents to provide Seller with Buyer's Objections, if any. If no written notice of Buyer's Objections or approval subject to certain exceptions is delivered by Buyer to Seller within the aforesaid periods, such items shall be considered Permitted Exceptions and may appear as exceptions in the owner's policy of title insurance described in Section 8 and the deed(s) described in Section 4.

(b) Notwithstanding anything contained in subsection (a) above, the following shall be deemed "Permitted Exceptions": (i) the lien of all ad valorem real estate taxes and assessments not yet due and payable as of the date of Closing, subject to adjustment as herein provided; (ii) local, state and federal laws, ordinances or governmental regulations, including but not limited to, building and zoning laws, ordinances and regulations, now or hereafter in effect relating to the Property; (iii) such state of facts as may be shown on a current survey; (iv) the standard preprinted form exceptions set forth in the Title Policy; and (v) those matters which Seller is not obligated to remove as provided in this Agreement.

(c) Seller shall notify Buyer within ten (10) days after receipt of written notice of Buyer's Objections whether Seller agrees to cure such Buyer's Objections. If Seller notifies Buyer in writing within such ten (10) day period that Seller agrees to cure such Buyer's Objections, Seller shall correct such Buyer's Objections on or before the Closing Date to the reasonable satisfaction of Buyer. If Seller does not notify Buyer within such ten (10) day period of Seller's agreement to cure such Buyer's Objections, Seller shall be deemed to have elected not to cure such Buyer's Objections, and Buyer shall no later than ten (10) business days after the date of Buyer's Objections elect to: (i) waive such Buyer's Objections without any abatement in the Purchase Price in which case such Buyer's Objections shall be deemed a Permitted Exception, or (ii) terminate this Agreement by giving Seller written notice thereof (with a copy to Escrow Agent), in which case the Earnest Money (including accrued interest) and any other deposits, if any, shall be returned to Buyer within two (2) business days thereafter, and the parties hereto shall be released from all further obligations hereunder except those which expressly survive a termination of this Agreement.

8. TITLE INSURANCE POLICY.

At Closing, Escrow Agent shall provide Buyer with a CLTA Standard Coverage Policy of Title Insurance in the full amount of the Purchase Price, issued by the Title Company showing title to the Property vested in Buyer, subject only to the exceptions set forth in Sections 4 and 7 of this Agreement. Seller agrees to pay the premium charged therefor. At Buyer's request, Escrow Agent shall instead furnish Buyer with an ALTA Owner's Policy of Title Insurance, with such endorsements and binders as Buyer may specify. Seller agrees to pay that

portion of the premium for such insurance equal to the premium for the CLTA Standard Coverage Policy, and Buyer agrees to pay the amount charged in excess thereof.

9. ENVIRONMENTAL AND TITLE CONDITIONS.

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

(b) Buyer’s Assessment. Beginning on the Project Approval Date and ending ___ days thereafter (the “Assessment Period”), Seller will grant permission to Buyer and its agents to enter upon the Property, subject to reasonable notice to and approval by Seller, to visually inspect all aspects of the Property, including, without limitation, consistency with zoning and use limitations, the existence and availability of utility connections, surface and environmental conditions, compliance or consistency with permits, approvals, and to obtain all entitlements in connection with the Buyer’s anticipated development of the Property. No invasive or subsurface testing of soil or groundwater at the Property may be conducted by Buyer

without the express written consent of Seller, which may be subject to limitations or conditions at Seller's sole discretion. After conducting any assessment at or of the Property, Buyer, at its sole expense, shall restore the Property to the condition that it was in prior to such assessment, unless expressly permitted by Seller in writing. Buyer shall be solely responsible for all costs, fees, and liabilities associated with its investigation and review of the Property, and shall indemnify and hold harmless Seller from and against such costs, fees, and liabilities. All activities conducted by or on behalf of Buyer as part of Buyer's assessment shall be conducted in accordance with all applicable laws. Prior to any entry by Buyer or any Buyer Representatives onto the Property for the purposes of such inspections, Buyer shall provide to Seller evidence satisfactory to Seller that Buyer has in force adequate liability and worker's compensation insurance with coverage of not less than One Million Dollars (\$1,000,000.00), naming Seller as an additional insured, to protect Seller against any and Claim which may occur as a result of any activity of Buyer or Buyer's agent or representative on the Property. The foregoing shall not limit or release Buyer's indemnification obligations as otherwise set forth in this Agreement.

(c) All non-public written reports and analyses prepared in connection with Buyer's Assessment, and any information obtained thereby or from Seller, shall be held in strict confidence by Buyer, shall not be disclosed by Buyer or its employees, consultants, agents or representatives until after the close of escrow, without the prior written consent of Seller, except as otherwise provided by law. Buyer shall furnish copies of all reports, including all data relating to the Property, to Seller at Buyer's expense. Seller acknowledges and agrees that in the course of Buyer's investigation, Buyer and/or its agents may contact other parties, including without limitation, other governmental agencies, to obtain information about the Property. Seller further acknowledges and agrees that Buyer and/or its agents may comply with any reporting requirement contained in any federal, state or local law concerning Hazardous Materials.

(d) Buyer will have the option of extending the Closing for two ninety (90)-day periods. Buyer will have the right to such extensions by depositing an additional non-refundable deposit of Twenty Five Thousand Dollars (\$25,000) for each extension period.

10. REGULATORY STATUS.

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

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

(c) Seller's Right of Entry. Seller, and Seller's agents, representatives, contractors and consultants shall have the right to enter upon the Property after the Closing Date

established pursuant to Section 14 of this Agreement for the purpose of performing any site assessment or site remedial action.

11. REPRESENTATIONS AND WARRANTIES.

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

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

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

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

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

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

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

(i) Seller is a municipal corporation duly organized and validly existing and in good standing under the laws of the State of California, and, subject to subsection (ii) below, Seller has the full power and authority to enter into this Contingent Agreement.

(ii) Seller has disclosed to Buyer and Buyer is aware that the State of California has enacted AB 1X 26, which provided for the termination of redevelopment and requires that the successor agencies for all redevelopment agencies throughout the State of California, including Seller, dispose of redevelopment assets and property for the benefit of the taxing agencies as set forth in A 1X 26. Seller has also disclosed to Buyer and Buyer is aware that: (1) the Property was owned by the Commerce Community Development Commission (the "Commission"), which acted as the City of Commerce redevelopment agency; (2) Seller is the Successor Agency to the Commission under AB 1X 26; (3) as a matter of law, Seller became the owner of the Property after the passage of AB 1X 26; (4) Seller is required to dispose of the Property pursuant to the terms of AB 1X 26; and (5) pursuant to AB 1X 26 Seller, as the

Successor Agency, must obtain future approval of this Agreement by the Oversight Board for the Successor Agency to the Commerce Community Development Commission. If the Oversight Board does not approve this Agreement, then the Properties would not be disposed of to Buyer pursuant to the terms of this Agreement.

(iii) Subject to subsection (ii) above, Seller has the full power and authority to enter into, be bound by and comply with the terms of this Agreement and has obtained all necessary consents and approvals to enter into and consummate the transactions contemplated by this Agreement.

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

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

(vi) Except as otherwise disclosed to Buyer in writing within five (5) business days following the date hereof, to Seller’s actual knowledge, there are no pending legal actions or arbitrations, at law or in equity, affecting the Property.

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

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

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

(d) AS-IS Sale; Disclaimer of Seller Representations and Warranties Except as specifically stated in this Agreement, neither Seller nor any advisor, officer, director, trustee, member, employee, agent, attorney or contractor thereof or therefor (individually and collectively, the “Seller Parties”) is making or shall be deemed to have made, nor does any Seller Party have the authority to make, any express or implied representation or warranty of any kind or nature as to the Property or the transaction contemplated in this Agreement, including, without limitation, (i) the financial status of the Property, including without limitation, income or

expenses generated, paid or incurred in connection with the Property, (ii) the nature, physical or environmental condition, safety or any other aspect of the Property or the Property's compliance with applicable laws, ordinances, rules and regulations, including, without limitation, zoning ordinances, building codes (including, without limitation, the Americans with Disabilities Act) and environmental, hazardous material and endangered species statutes, (iii) the accuracy or completeness of any information or data provided or to be provided by Seller Parties, including, without limitation, copies of any reports or documents prepared for Seller Parties whether by third parties or otherwise which may be included with such information, or (iv) any other matter relating to the Property or Seller. Without limiting the foregoing, Buyer hereby acknowledges that, except as expressly provided in this Agreement or any of the documents to be executed and delivered by Seller to Buyer at Closing, the Property will be sold to Buyer "AS IS", "WHERE IS" and "WITH ALL FAULTS". Except for the express Seller representations and warranties contained in this Agreement and the documents to be executed and delivered by Seller to Buyer at Closing, there are no representations and/or warranties, express or implied, made by Seller Parties in connection with the transactions contemplated in this Agreement. Buyer acknowledges and agrees that, except as otherwise stated in this subparagraph, (i) Buyer shall rely upon Buyer's own due diligence in determining whether the Property is suitable for purchase by Buyer; (ii) Buyer has been given a reasonable opportunity to inspect and investigate the Property, and all aspects relating thereto, either independently or through agents and experts of Buyer's choosing; (iii) Buyer is acquiring the Property based exclusively upon Buyer's own investigations and inspections thereof and the express representations and warranties of Seller contained in this Agreement and in the documents to be executed and delivered by Seller to Buyer at Closing; (iv) except as may be expressly otherwise provided in this Agreement, Seller has no obligation to repair or correct any facts, circumstances, conditions or defects or compensate Buyer therefor; and (v) except as may be expressly otherwise provided in this Agreement, by reason of all of the foregoing, Buyer shall assume the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the Property. Subject to the foregoing, Buyer further agrees and acknowledges that:

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

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

(iii) Buyer has, or by the expiration of the Assessment Period will have, with the assistance of such experts as Buyer has deemed appropriate, made such examinations and

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

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

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

(e) Release. Subject to the express covenants, representations and warranties of Seller as provided in this Agreement and in the documents to be executed and delivered by Seller to Buyer at Closing, upon Closing, Buyer shall assume the risk that adverse matters, including but not limited to, construction defects, adverse physical, endangered species, zoning, access or water course issues or conditions, may not have been revealed by Buyer's investigations. Subject to the express covenants, representations and warranties of Seller as provided in this Agreement and in the documents to be executed and delivered by Seller to Buyer at Closing, Buyer releases all Seller Parties from, and waives any and all Claims of any and every kind or character, known or unknown, for or attributable to, any latent or patent issue or condition at the Property. Buyer realizes and acknowledges that factual matters now unknown to

it may have given or may hereafter give rise to Claims which are presently unknown, unanticipated and unsuspected, and Buyer further agrees that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Buyer nevertheless hereby intends to release, discharge and acquit Seller from any such unknown Claims.

The Buyer acknowledges that the foregoing acknowledgments, releases and waivers were expressly bargained for. The provisions of this Paragraph 10(e) shall survive the Closing. For purposes of this Agreement, the term Claims shall mean: any action, cause of action, claim, compensation, cost, damage, demand, directive, enforcement, expense, fee (including reasonable consultants' and attorneys' fees), fine, lawsuit, loss, order, penalty, proceeding, right, or any other form of cost or compensation whatsoever, including any government Claim.

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

12. CONDITIONS PRECEDENT.

(a) As described in Section 1, above, this Agreement is contingent upon the City ultimately certifying an EIR and approving the Application. In the event the City Council rejects the Application, this Agreement shall automatically and immediately terminate, and the Earnest Money shall be returned to Buyer, together with interest accrued thereon.

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

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

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

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

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

(v) Buyer shall not have disapproved the status of title to the Property in accordance with Section 7 and Title Company shall be in a position to issue the Title Policy referred to in Section 8;

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

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

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

13. WAIVER OF BREACH.

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

14. CLOSING.

(a) Date and Location. The purchase and sale transaction contemplated by this Agreement shall close (the "Closing") not later than __ days after the Project Approval Date, or as otherwise extended pursuant to Section 9 (d) above, or on such other date as the parties may otherwise mutually agree (the "Closing Date"). Closing shall be held at the offices of Escrow Agent.

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

(i) Deliver to Buyer or Buyer's assignee a duly executed and acknowledged Grant Deed(s) conveying the Property to Buyer or Buyer's assignee;

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

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

(iv) Deliver to Buyer or Buyer's assignee a policy of title insurance in the amount of the Purchase Price, dated as of the Closing Date as provided in Section 8 of this Agreement. Seller shall bear the cost of the PTR and a CLTA Standard Coverage Policy, subject to Buyer's right to request and pay for additional coverage as provided in said Section 8.

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

(i) Make payment of the Purchase Price to Seller in accordance with Section 4 above. Buyer shall pay to Seller the cost of additional Title Insurance coverage(s) as required by Section 8 of this Agreement;

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

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

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

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

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

(iii) From the date that tax information is available, as per paragraph (d) (ii) above, up to and including July 30th, Seller's current taxes, if unpaid, shall be prorated to date of close of escrow on the basis of a 365-day year in accordance with Tax Collector's proration requirements, together with penalties and interest if said current taxes are unpaid after December 10 and/or April 10. At close of escrow, a check payable to the County Tax Collector for Seller's pro rata portion of taxes shall be forwarded to Buyer with Closing statement; and

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

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

15. RISK OF LOSS/CONDEMNATION.

Seller shall assume the risk of loss, destruction or damage to the Property by fire, Act of God, other casualty, or condemnation prior to the Closing Date and the transfer of title to the Property to Buyer. Buyer assumes, as of the Closing Date and transfer of title, all hazards of damage to or destruction of the Property and of the taking of the Property or any part thereof for public use, and agrees that no such damage, destruction or taking shall constitute a failure of

consideration. Upon the execution of this Agreement, Buyer shall have an insurable interest in the Property. Buyer shall have the option in the event of destruction or taking of a part of the Property subsequent to the execution of this Agreement but prior to the Closing Date that materially adversely affects Buyer's use of the Property to (i) cancel this Agreement, in which event Seller shall refund, without interest, the Earnest Money and neither party shall have any further right or obligation to or against the other or to (ii) proceed with the execution of the Agreement with an abatement of the Purchase Price measured by the proceeds of any insurance collected or condemnation award obtained.

16. BROKER.

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

17. NOTICES.

All notices, demands and requests and other communications required or permitted hereunder shall be in writing, and shall be deemed to be delivered, when received, if delivered personally, by private messenger, courier service (e.g., Federal Express, a commercial messenger service or any similar means of delivery), or facsimile transmission, or whether actually received or not when actually deposited in a regularly maintained receptacle for the United States Mail, registered or certified, return receipt requested, postage prepaid, addressed to the parties at the addresses provided below:

For Seller:

Successor Agency to the
Commerce Community Development Commission
2535 Commerce Way
Commerce, California 90040
Attn: City Administrator

For Buyer:

Gatwick Group, LLC
4400 MacArthur Boulevard, Suite 310
Newport Beach, CA 92660
Attn: John Bonutto

18. ATTORNEY'S FEES.

If legal action is commenced to enforce or to declare the effect of any provision of this Agreement, or any document executed in connection with this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorneys' fees and other litigation costs. In addition to the foregoing award of attorneys' fees to the prevailing

party, the prevailing party in any lawsuit on this Agreement or any document executed in connection with this Agreement shall be entitled to its reasonable attorneys' fees incurred in any post judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement or any document executed in connection with this Agreement into any judgment on this Agreement or any document executed in connection with this Agreement. This provision shall survive Closing or termination of this Agreement.

19. HEADINGS.

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

20. MERGER.

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

21. MODIFICATION.

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

22. BINDING EFFECT AND ASSIGNABILITY.

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

23. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

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

24. GOVERNING LAW.

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

25. FORUM SELECTION.

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

26. COUNTERPARTS.

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

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

BUYER:

SELLER:

GATWICK GROUP, LLC

SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY
DEVELOPMENT COMMISSION

By: _____
Jon Bonutto, Managing Member

By: _____
Lilia Leon, Chairperson

ATTEST:

By: _____
Lena Shumway, City Clerk

APPROVED AS TO FORM:

By: _____
Eduardo Olivo, City Attorney



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council
FROM: City Administrator
SUBJECT: Presentation on Community Oriented Policing Services
MEETING DATE: July 1, 2014

RECOMMENDATION:

Receive and file the presentation on Community Oriented Policing Services.

ANALYSIS:

Matthew C. Rodriguez, Director of Safety and Community Services, will inform the City Council on Community Oriented Policing Services (COPS). COPS strategies are based upon a partnership between the City, the community, and the Sheriff's Department. This initiative is a result of the Bristow Park action plan that was approved by the city Council on November 19, 2013

ALTERNATIVES:

1. Receive and file the presentation on Community Oriented Policing Services (COPS); and/or
2. Provide staff with further direction

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This report relates to the 2012 strategic planning goal: "Protect and Enhance the Quality of Life in the City of Commerce", as it addresses a community public safety issue of concern.

Recommended by: Matthew C. Rodriguez, Director of Safety and Community Services
Approved As To Form: Eduardo Olivo, City Attorney
Respectfully Submitted: Jorge Rifá, City Administrator



AGENDA REPORT

MEETING DATE: 11/19/2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: PRESENTATION: BRISTOW PARK ACTION PLAN

RECOMMENDATION:

At the request of Councilmember Baca Del Rio and Councilmember Altamirano, the City Council will receive a presentation on, and provide appropriate direction as deemed necessary with respect to, the Los Angeles County Sheriff's Department's Bristow Park Action Plan.

MOTION:

City Council discretion.

BACKGROUND:

Bristow Park in the City of Commerce has recently seen an increase in quality of life issues that have negatively impacted the overall enjoyment of Commerce residents who use the park. Additionally, park staff has observed disputes and disturbances among individuals and illegal activity such as the drinking of alcoholic beverages and marijuana use in and around the park.

ANALYSIS:

The Commerce Special Assignment team shall deploy several strategies to reduce criminal activity and improve the quality of the park experience for all Commerce residents, based on best practices available. The Bristow Park Action Plan will serve as a template to be used throughout the City in other community areas.

FISCAL IMPACT:

There is no fiscal impact associated with this agenda item report.

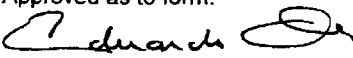
RELATIONSHIP TO 2012 STRATEGIC GOALS:

This agenda report before Council has no relation to a specific strategic objective; however, it is applicable to the following strategic goal: *Implement strategic communication plan for all key stakeholders.*

Respectfully submitted:


Jorge Rifa
City Administrator

Approved as to form:


Eduardo Olivo
City Attorney

Fiscal impact reviewed by:


Vikko Domic
Director

AGENDA ITEM No. 9

**CITY OF COMMERCE/LOS ANGELES COUNTY
SHERIFF'S DEPARTMENT**



BRISTOW PARK ACTION PLAN

**A PARTNERSHIP BETWEEN THE CITY OF COMMERCE AND
THEIR SHERIFF'S DEPARTMENT TO IMPROVE THE PARK
EXPERIENCE AT BRISTOW PARK**

INTRODUCTION

Bristow Park in the City of Commerce has recently seen an increase in quality of life issues that have negatively impacted the overall enjoyment of Commerce residents who use the park. Additionally, park staff has observed many family disturbances and illegal activity such as the drinking of alcoholic beverages and marijuana use in and around the park.

The Commerce Special Assignment team shall deploy several strategies to reduce criminal activity and improve the quality of the park experience for all Commerce residents. These strategies include, but are not limited to, additional patrol checks, black and white decoy vehicles, re-establishing a strong relationship/presence with park staff, special enforcement operations, identification and monitoring of individuals on parole/probation in and around the immediate residential community, identification and enforcement of transients in the area, and many other tactics will be deployed. The Commerce Special Assignment Deputies will seek input from valuable resources such as City Council Members, Community Leaders, Park Staff and Neighborhood Block Watch Residents in developing a successful strategy. Additional training of city staff and Sheriff's personnel shall be a part of this strategy. This action plan shall have a deployment period of one hundred eighty days.

BRISTOW PARK ACTION PLAN

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Phase II- Analysis	2
Phase III- Staff Training	3
Phase IV- Response/Enforcement	4
Phase V- Post Enforcement Analysis	5

PHASE 1

INFORMATION GATHERING/ANALYSIS

The Objective in Phase One is to gather as much information regarding the problems in the park as possible. This intelligence shall be accumulated by conferring with:

- City Council Members,
- Community Leaders
- Neighborhood Watch Groups
- Park Staff
- Information received from Patrol Deputies
- Probation and Parole Officers
- Complaints from the Community
- Crime Analysis
- Nearby Residents
- Surveys
- Community Service Officers
- Community Services Commission

PHASE 2
INFORMATION ANALYSIS

The objective in this phase is to identify the problems and issues facing Bristow Park and the Commerce Residents who use the park. A priority list shall be compiled with the information obtained in this phase.

PHASE 3
STAFF TRAINING

The objective in Phase 3 is to provide training to city staff and desk personnel.

Park Staff Training- Sheriff's Department Personnel shall provide crime prevention/reporting training at each Commerce City Park. Orientation on being a good witness, noting suspicious conduct/individuals, clothing description, vehicle description shall be a part of this training.

ELA Desk Training- Sheriff's Department Personnel shall provide training to desk personnel while receiving calls from the public at Commerce Parks and from Park Staff

PHASE 4

ENFORCEMENT

The phase four objective is the enforcement component of this plan. All types of enforcement efforts, traditional and innovative, shall be used. A variety of enforcement strategies that have been successful in the past may be used in this deployment.

PHASE 5

POST ENFORCEMENT ANALYSIS

The Commerce Special Assignment Team shall provide an after action report on this action plan after the one hundred eighty day deployment period.



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. 16

FROM: City Administrator

SUBJECT: A Resolution Approving and Ratifying the Notice of Termination of the Government Affairs Consulting Agreement between the City of Commerce and California Consulting, LLC

MEETING DATE: JULY 1, 2014

RECOMMENDATION:

Approve the Resolution which will approve and ratify the Notice of Termination of the Government Affairs Consulting Agreement between the City of Commerce and California Consulting, LLC, issued by the City Administrator on June 26, 2014, and assign the number next in order.

ANALYSIS:

On November 5, 2013, the City Council approved a Government Affairs Consulting Agreement with California Consulting, LLC for grant writing services for a monthly fee of \$4,000.00.

The City Council considered the funding for the Agreement during a budget meeting on June 24, 2014. During the effective reporting period the Council determined that the grant activity was insufficient to warrant the continued expense. The City Council determined that it would not appropriate funds to continue with the Agreement.

Section 19 of the Agreement provides that it may be terminated by either party upon thirty days written notice to the other party. Consistent with the City Council's decision not to fund the Agreement for the 2014-2015 Fiscal Year, on June 26, 2014, the City Administrator provided California Consulting, LLC with written notice of the termination of the Agreement. Staff recommends that the City Council approve and ratify the Notice of the Termination.

ALTERNATIVES:

1. Approve the Resolution approving and ratifying Notice of Termination of Agreement issued by the City Administrator on June 26, 2014.

2. Provide staff with further direction

FISCAL IMPACT:

The Notice of Termination was sent on June 26, 2014. Pursuant to the Agreement, the effective termination date will be July 31, 2014. The City will be required to pay the monthly Agreement fee of \$4,500 for July.

RELATIONSHIP TO STRATEGIC GOALS:

This matter is applicable to the following 2012 Strategic Goal: “Protect and Enhance the Quality of Life in the City of Commerce.”

Recommended by: Jorge Rifa, City Administrator
Reviewed by: Vilko Domic, Director of Finance
Approved As To Form: Eduardo Olivo, City Attorney
Respectfully Submitted: Jorge Rifá, City Administrator

ATTACHMENT:
Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING AND RATIFYING THE NOTICE OF TERMINATION OF
THE GOVERNMENT AFFAIRS CONSULTING AGREEMENT BETWEEN THE CITY
OF COMMERCE AND CALIFORNIA CONSULTING, LLC

WHEREAS, on November 5, 2013, the City Council approved a Government Affairs Consulting Agreement with California Consulting, LLC for grant writing services for a monthly fee of \$4,000.00; and

WHEREAS, on June 24, 2014, the City Council decided that it would not appropriate additional funding for the Agreement for the 2014-2015 Fiscal Year; and

WHEREAS, Section 19 of the Agreement provides that it may be terminated by either party upon thirty days written notice to the other party. Consistent with the City Council's budget decision, on June 26, 2014, the City Administrator provided California Consulting with Notice of Termination of the Agreement, to be effective July 31, 2014.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVES AND ORDERS AS FOLLOWS:

Section 1. The Notice of Termination of the Government Affairs Agreement between the City of Commerce and California Consulting, LLC, which was issued by the City Administrator on June 26, 2014, is hereby approved and ratified.

PASSED, APPROVED AND ADOPTED this 1st day of July 2014.

ATTEST:

Tina Baca Del Rio, Mayor

Lena Shumway, City Clerk



CITY OF COMMERCE AGENDA REPORT

Item No. **17**

TO: Honorable City Council

FROM: City Administrator

SUBJECT: Resolution Approving and Adopting the Annual Appropriations Limit for Fiscal Year 2014-2015

MEETING DATE: July 1, 2014

RECOMMENDATION:

Approve and adopt the proposed Resolution selecting the California per capita personal income price factor of -0.23 and the population growth of 0.47 as the annual adjustment factors used in calculating the appropriation limit for the City of Commerce, and assign the number next in order.

BACKGROUND/ANALYSIS:

Article XIII(B) of the California Constitution provides that an appropriation limit be established each year that creates a restriction on the amount of proceeds of taxes which can be appropriated in any fiscal year. The limit is based on actual appropriations during the 1978-79 fiscal year, and is increased each year using the growth in population and inflation.

Proposition 111 modified the selection process of the annual adjustment factors and now allows cities to choose either the growth in the California Per Capita Income or the growth in the non-residential assessed valuation due to new construction within the City as the inflation factor. The City can also choose between the population growth of the City of Commerce or Los Angeles County as the growth factor. Proposition 111 requires a recorded vote of the Council regarding which of the annual adjustment factors has been selected each year.

ALTERNATIVES:

1. Approve staff recommendation
2. Choose the growth in the non-residential assessed valuation due to new construction within the City as the inflation factor.
3. Choose the population growth of Los Angeles County as the growth factor

FISCAL IMPACT:

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

RELATIONSHIP TO STRATEGIC GOALS:

This report before the Council is not applicable to any specific 2012 Strategic Plan goal; however, it is related to the following goal: *Grow Revenues, Audit Revenue Sources and Develop Audit Plan*, and complies with the California Constitution by providing for the City's continued financial stability.

Recommended by: Vilko Domic, Director of Finance

Approved as to Form: Eduardo Olivo, City Attorney

Respectfully submitted: Jorge Rifá, City Administrator

ATTACHMENTS:

1. Calculation of Limitation
2. Resolution

DS/staff reports, city council/Appropriations Limit/Appropriations Limit FY 2014-15 7-1-14 VD

CITY OF COMMERCE
APPROPRIATION LIMITATION
FISCAL YEAR 2014-2015

CALCULATION OF LIMITATION

Appropriation Limitation 2013-2014			\$153,701,412
Adjustment Factors (in percent):			
California Per Capital Personal Income Increase	-0.23	X	0.9977
Population Change – City of Commerce	0.47	X	<u>1.0047</u>
APPROPRIATION LIMITATION FY 2014-2015			<u>\$154,070,295</u>

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE
APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR
FISCAL YEAR 2014-2015

WHEREAS, on November 6, 1979, the voters of California added Article XIII(B) to the State constitution placing various limitations on the appropriations of the state and local governments; and

WHEREAS, Article XIII(B) provides that the appropriations limit for the fiscal year 2014-2015 is calculated by adjusting the base year appropriations of fiscal year 1978-79 for changes in the cost of living and population; and

WHEREAS, the City of Commerce has complied with all the provisions of Article XIII(B) in determining the appropriations limit for fiscal year 2014-2015.

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

Section 1. The appropriations subject to limitations for the City of Commerce in fiscal year 2014-2015 shall be \$154,070,295.

Section 2. The City of Commerce selects the per capita personal income price factor of -0.23 and the population growth of 0.47 as the annual adjustment factors used in calculating the appropriation limit.

Section 3. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this _____ day of _____ 2014.

Tina Baca Del Rio
Mayor

ATTEST:

Lena Shumway
City Clerk



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. 18

FROM: City Administrator

SUBJECT: A Resolution of the City Council of the City of Commerce, California Adopting the Annual Operating Budget for Fiscal Year 2014-2015

MEETING DATE: July 1, 2014

RECOMMENDATION:

Approve and adopt the proposed Resolution adopting the annual operating budget for fiscal year 2014-2015, and assign the number next in order.

BACKGROUND/ANALYSIS:

After four years of structuring ways of addressing budget deficits, the City is looking at a second consecutive year of a projected surplus -- **\$729,816** for FY 2014-15 (albeit, the inclusion of one-time monies is assisting in bridging the gap). With that said, Administration moved ahead with caution and recommended a pragmatic approach to the process – using the FY 2013-14 adopted budget as the base line and recommended enhancements to some areas that were deemed deficient. In addition, several departments continue to work with Administration and Finance in being creative with their current staffing levels ensuring that service levels to the public were not negatively impacted. On this evening, staff is asking that the City Council formally adopt the City's general operating budget for FY 2014-15.

The City Council has discussed and taken the appropriate action on the City Administrator's proposed operating budget for fiscal year 2014-15. The public was invited to provide input throughout the process prior to its scheduled adoption on July 1, 2014.

A powerpoint presentation recapping the process and all City Council actions will be presented.

ALTERNATIVES:

1. Approve staff recommendation
2. Provide staff with further direction

FISCAL IMPACT:

In FY 2014-15 the City Council had the ability to work with a projected surplus of **\$729,816**. The City Council acted on and approved the City Administrator's proposed budget, with a few exceptions. The total General Fund proposed budget is split into two categories:

- A recurring appropriation of **\$54,550,504**
- The City Council recognized that deficiencies have occurred as it relates to capital outlay during the recession and approved **\$761,703** from FY 2013-14 projected year-end surplus funds.

Mindful of the organizational and financial impact that a recurring item will have on the base line budget going forward, the City Council made a concerted effort to address operational areas of concern as follows:

Recurring Enhancements

General Services

- The City Council gave direction to terminate an agreement with California Consulting (Grant Writing Services) – a **savings of \$49,500**

Parks and Recreation

- Allocation of **\$15,000** to the September 16th Celebration
- Increase in the departments Overtime budget of **\$20,000**
- Allocation of **\$5,000** towards the Community Cleanup Day
- Allocation of **\$4,000** in providing snow at the Children's Holiday Faire
- Bristow & Rosewood Park Restrooms Extension of Summer Hours - **\$6,000**
- Provide staff liaison to Miss Commerce for the Aguas Calientes visit - **\$1,500**

Library Services

- Addition of a Full-time Adult Services Librarian - **\$93,954**
- Addition of 3 Part-time Homework Helpers - **\$57,750**

Public Works & Development Services

- An allocation of **\$450,000** is being set-aside to address implementation measures to enhance the effectiveness of the departments operations
- An additional **\$50,000** towards enhancing the city's Holiday Decorations

One-time Enhancements

- Capital Outlay **\$399,103**
- Planning Operational Needs **\$114,000**
- Environmental Mitigation Efforts **\$100,000**
- Staff Training **\$ 45,000**
- Human Resources Operational Needs **\$ 40,000**
- Commission Training **\$ 35,000**
- Granicus **\$ 28,600**

Other funds that the City Council took action on were as follows:

- Fund 22 - COPS Grant **\$ 160,000**
- Fund 24 – JAG Grant **\$ 10,109**
- Fund 25 – Proposition A **\$1,000,000**
- Fund 26 - State Gas Tax **\$ 350,000**
- Fund 29 – CDBG Fund **\$ 120,186**
- Fund 42 – Community Ctr Debt Svc **\$ 927,653**
- Fund 53 – Cable TV **\$ 286,103**
- Fund 57 – Transportation **\$6,180,187**
- Fund 61 – Garage Maintenance **\$ 693,650**
- Fund 63 – Information Technology **\$ 40,000**

In closing, the Council and City staff worked collaboratively to achieve an overall balanced general city operating budget for Fiscal Year 2014-2015 with minimal impacts to the community and to the work force.

RELATIONSHIP TO STRATEGIC GOALS:

This report before the Council is not applicable to any specific 2012 Strategic Plan goal; however, it is related to the following goal: *Grow Revenues, Audit Revenue Sources and Develop Audit Plan*, and complies with the California Constitution by providing for the City's continued financial stability.

Recommended by: Vilko Domic, Director of Finance

Approved as to form: Eduardo Olivo, City Attorney

Respectfully submitted: Jorge Rifá, City Administrator

ATTACHMENTS:

1. Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, ADOPTING THE ANNUAL OPERATING BUDGET FOR
FISCAL YEAR 2014-2015

WHEREAS, the City Administrator has submitted a proposed ANNUAL BUDGET for fiscal year 2014-2015; and

WHEREAS, the City Council has studied the proposed Budget, received public input thereon, and approved same.

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

The ANNUAL BUDGET for the 2014-2015 fiscal year in the amount of \$55,312,207 is incorporated herein by this reference and is hereby approved and adopted.

PASSED, APPROVED and ADOPTED this _____ day of _____ 2014.

Tina Baca Del Rio
Mayor

ATTEST:

Lena Shumway
City Clerk



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. 19

FROM: City Administrator

SUBJECT: Tree Maintenance on Private Property in the Village Residential Community

MEETING DATE: July 1, 2014

RECOMMENDATION:

Adopt a resolution authorizing:

1. Therelease of a notification letter to property owners within the Village residential community (the Village) offering to remove Ficus trees on their private properties
2. Removal of the trees with the property owners consent; and
3. Discontinuance of ongoing private tree maintenance within the Village.

ANALYSIS:

The City received a request from a property owner in the Village residential community (the Village) to cut roots back and/or remove the Ficus tree in their front yard. The City has in the past maintained these privately owned trees in the Village apparently as a longstanding practice. In its research, Staff could not establish formal policy approval for this practice. The developer planted Ficus trees in the front yards of many of these homes. Ficus are known for their invasive root structure. The City has cut roots and on many occasions removed the trees in the Village with the owner's consent. There are twelve residences with the subject trees remaining. Each tree was inspected and its diameter measured to obtain a quote for removal. The City's interim tree maintenance contractor quoted a total cost of \$4,833.60 for removal of all twelve trees.

Staff recommends, in the best interest of the City and affected residents, that the City notify the property owners of the end of this practice and extend a "final" opportunity to remove the Ficus trees. The owners may choose to remove or keep the tree. If the owner decides to keep the tree, it is the owner's responsibility to maintain the tree from this point forward including any trees planted on private property in the future. In so doing staff recommends that the City discontinue future ongoing tree maintenance in the Village. Privately owned tree maintenance increases the City's liability and this practice does not apply consistently to all private property within the City. The letter of notification is attached.

ALTERNATIVES:

1. Approve staff recommendation.
2. Decline staff recommendation and provide further direction to staff.

FISCAL IMPACT:

The fiscal impact for removal of the Village Ficus trees is \$4,833.60. There are sufficient funds in Fiscal Year 2014/15 in account number 10-5165-55021, Tree and Turf Maintenance for the proposed tree removals.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to the specific 2012 Strategic Goal to develop a tangible environmental mitigation plan.

Respectfully submitted by: Jorge Rifa, City Administrator

Approved by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Gina Nila, Environmental Services Manager

Reviewed by: Vilko Domic, Finance Director

Approved as to form by: Eduardo Olivo, City Attorney

ATTACHMENTS:

1. Notification letter to Village residential community property owners.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, AUTHORIZING THE RELEASE OF A NOTIFICATION LETTER TO
PROPERTY OWNERS WITHIN THE VILLAGE RESIDENTIAL COMMUNITY
OFFERING TO REMOVE FICUS TREES ON THEIR PRIVATE PROPERTIES

WHEREAS, the City received a request from a property owner in the Village residential community (the Village) to cut roots back and/or remove the Ficus tree in their front yard; and

WHEREAS, the developer of the Village planted Ficus trees, which are known for their invasive root structure, in the front yards of many of these homes; and

WHEREAS, in the past, the City has maintained the privately owned trees in the Village and has cut the roots and on many occasions removed the trees with the owner's consent; and

WHEREAS, there are twelve residences with the subject trees remaining. The City has inspected each tree and obtained a quote for removal from the City's interim tree maintenance contractor; and

WHEREAS, staff recommends that the City notify the Village property owners that it will remove the Ficus trees and discontinue future ongoing tree maintenance in the Village. If the owner decides to keep the tree, the owner will be responsible for all future maintenance of the existing tree any other trees planted on private property in the future; and

WHEREAS, there are sufficient funds available in Fiscal Year 2014/15 for the proposed tree removal.

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

Section 1. City staff is authorized to send the tree removal notification letter to the Village residential community property owners, remove the Ficus trees on private property for those owners who consent and discontinue future ongoing tree maintenance.

PASSED, APPROVED AND ADOPTED this 1st day of July, 2014.

Tina Baca Del Rio
Mayor

ATTEST:

Lena Shumway
City Clerk

July 2, 2014

Owner

Commerce, CA 90040

Re: Notice of End of City Tree Maintenance and Removal Services

Dear ***:

The City of Commerce has previously provided Ficus tree maintenance and tree removal services for private property in the Village Residential Community. Such practices have been determined to increase the City's liability exposure and constitute an improper gift of public funds. Therefore, the City must now terminate such services.

The City understands that a sudden termination may pose difficulties for property owners who have anticipated use of such services in the near future. The City will therefore provide Ficus tree removal/maintenance services for your property one last time. If you decide to take advantage of this one-time and final offer, you must notify the City by no later than August 15, 2014. If you do not do so, you will be responsible for all tree removal and maintenance costs for the existing trees on your property and for all other trees that may be planted on your property in the future.

Should you have any questions or to schedule the removal of a Ficus tree, please contact Gina Nila, Environmental Services Manager, at 323-722-4805, ext. 2839 by August 15, 2014. Thank you.

Sincerely,

Jorfe Rifá
City Administrator



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council
FROM: City Administrator
SUBJECT: Tree Removal Policy for Private Property
MEETING DATE: July 1, 2014

Item No. 20

RECOMMENDATION:

Authorize staff to develop a Tree Removal Policy for Private Property to address health and safety concerns of the community under certain circumstances.

ANALYSIS:

On occasion, the City of Commerce has faced a health and safety concern regarding a fallen and/or diseased tree with a risk of falling from a private property on to public right-of-ways. Typically, trees on private property are the responsibility of the property owner. However, the cost of removal, depending on the size of the tree, may not be feasible for some property owners. The situation, if not addressed, may pose safety issues. As such, it would be beneficial for the City's residents and the City to establish a policy to address such circumstances.

Staff recommends establishing a Tree Removal Policy for Private Property that would cover trees that have fallen onto public right-of-ways or at risk of falling due to disease or are dead. The City has two options for payment: a grant to the owner whereby the funds are forgiven or a deferred loan program whereby a lien is placed on the property and the owner reimburses the City either when ownership is transferred or through a monthly payment plan. Based on past experiences and the amount of staff time required to recoup the costs for a deferred loan, staff recommends authorizing as part of the Policy a one-time grant per property up to a maximum amount of \$1,000 towards removal of a tree. The following would apply:

1. Owner must occupy the residence where the tree in question resides;
2. Owner must meet the federal low income household limits;
3. City arranges for tree contractor inspection;
4. City and contractor determine the nature and extent of the tree liability for the health and safety of the community.
5. City schedules tree removal and covers removal costs up to \$1,000.

If Council authorizes the development of a Tree Removal Policy on Private Property, staff will return with the Policy for Council adoption and a request for a supplemental appropriation for implementation of the Policy as needed.

ALTERNATIVES:

1. Approve staff recommendation, qualifying criteria and \$1,000 per property grant option as outlined herein.
2. Provide further direction to staff.
3. Do not authorize a Tree Removal Policy for Private Property.

FISCAL IMPACT:

The cost to address removal of diseased and/or fallen trees under qualifying circumstances is unknown at this time.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to the specific 2012 Strategic Goal to develop a tangible environmental mitigation plan.

Respectfully submitted by: Jorge Rifa, City Administrator
Approved by: Maryam Babaki, Director of Public Works and Development Services
Prepared by: Gina Nila, Environmental Services Manager
Reviewed by: Vilko Domic, Finance Director
Approved as to form by: Eduardo Olivo, City Attorney



CITY OF COMMERCE AGENDA REPORT

Item No. **21**

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: RENEWAL OF PROFESSIONAL SERVICES AGREEMENT FOR
CONSTRUCTION MANAGEMENT SERVICES

MEETING DATE: July 1, 2014

RECOMMENDATION:

Consider approval and adoption of a resolution renewing a professional services agreement for construction management services with Swinerton Builders (dba Swinerton Management & Consulting) through June 30, 2015, and assign the number next in order.

BACKGROUND:

On July 16, 2013, the City Council adopted a resolution approving a professional services agreement for construction management services with Swinerton Builders (dba Swinerton Management & Consulting) through June 30, 2014.

ANALYSIS:

Swinerton Builder is the construction manager for the Central Library Renovation Project. The Library project is about 50% complete and is expected to be completed late September or early October of this year. Staff is recommending the renewal of Swinerton Builders annual professional services agreement for construction management services in order to complete the Library project and assist in the delivery with other Capital Improvement Project during the FY 2014-2015.

Swinerton along with the City has developed an Intern Program which has benefited to both the Department and the Community by providing an opportunity for a local resident to gain real-time professional experience in engineering and construction management. The department would like to continue to afford the current intern this valuable opportunity for the second year in this two year program.

ALTERNATIVES:

1. Approve staff recommendation
2. Reject staff recommendation

3. Provide staff with further direction

FISCAL IMPACT:

Staff respectfully recommends that the City Council consider awarding a 12-month professional services agreement to Swinerton for a not to exceed \$257,580 for project and construction management services, and to continue with the Intern Project Engineer support services for a yearly not to exceed total of \$48,720.

Project Manger	\$	257,580
Intern Project Engineer	\$	48,720
Total	\$	306,300

Costs associated with this contract will be charged directly to the appropriate Capital Improvement Project that Swinerton is managing. This amount will be included in the FY 2014/2015 Capital Improvement Projects that will come before the City Council in FY 2014/2015.

RELATIONSHIP TO STRATEGIC GOALS:

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

Recommended by:

Maryam Babaki
Director of Public Works and Development Services

Respectfully submitted,

Jorge Rifa
City Administrator

Reviewed by:

Wendell E. Johnson
Assistant Director of Public Works and Development Services

Fiscal Impact Review: Vilko Domic, Finance Director

Reviewed to a form: Eduardo Olivo, City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, RENEWING A PROFESSIONAL SERVICES AGREEMENT FOR
CONSTRUCTION MANAGEMENT SERVICES WITH SWINERTON BUILDERS DBA
SWINERTON MANAGEMENT & CONSULTING

WHEREAS, on July 16, 2013, the City Council approved a 12--month agreement with Swinerton to finish the FY 2013/2014 at a lump sum billing method of \$21,465.92 per month, total of \$257,580; and an intern/project support services program for \$48,720.00 for a total of \$306,300; and

WHEREAS, Swinerton is currently assisting with the Library Renovation Project; and

WHEREAS, City staff has recommended that the City enter into a professional services agreement with Swinerton for FY 2014/15 pursuant to which Swinerton will be responsible for providing complete and professional construction management services including: construction management and oversight, coordination, scheduling and tracking, administration, inspection and quality assurance, cost estimating, value engineering, and record keeping for the City's projects.

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

Section 1. The Services Agreement with Swinerton Builders, dba Swinerton Management and Consulting is hereby approved. The Mayor is authorized to execute the Agreement for and on behalf of the City of Commerce.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2014.

Tina Baca Del Rio, Mayor

ATTEST:

Lena Shumay, City Clerk

SWINERTON MANAGEMENT & CONSULTING
PROPOSAL FOR SERVICES JULY/2014-JUNE/2015

**PROJECT/CONSTRUCTION MANAGEMENT, STAFF
AUGMENTATION, AND PROFESSIONAL SERVICES**

Swinerton Management & Consulting (SMC) and its team offers a complete range of Professional Construction Management and Support Services and is adept at tailoring approaches and staffing that will best meet the specific needs of the City of Commerce. Swinerton has an experienced and efficient team, that has managed these exact types of projects, allowing us to move quickly and efficiently with lessons learned and best practices.

**STAFF AUGMENTATION APPROACH – FLEXIBLE, INNOVATIVE, AND SUPPORTIVE
SUPPORTIVE & SERVICE-MINDED**

Our role is to be supportive to our client and the team, to provide solutions either in a single role or service, or to provide teams which can manage an entire project, if needed. Swinerton's core focus this program is to be flexible, supportive and provide innovative solutions to the City of Commerce's needs.

FLEXIBILITY, SCALABILITY, AND DEPTH OF RESOURCES

The staffing and service needs of municipal programs can often spike and dip over the course of the program. Swinerton offers the flexibility and scalability needed to be responsive, efficient, and agile to address the program's needs. As one of the largest construction service providers in the Western United States, Swinerton brings over 1200 staff members in the Western U.S. and over 350 in the Southern California Region that can be utilized if needed by the City of Commerce

SOLUTION ORIENTED

Solution Oriented Consulting underlies our approach to Staff Augmentation services. By focusing on facilitating solutions for our clients and their stakeholders, our staff augmentation services can be efficient and targeted. Core to this approach is close communication with all team members and the experience, best practices, and lessons learned developed over many years.

CREATING STRONG TEAMS

Swinerton believes that the "Team Attitude" of close coordination and communication with the City, Stakeholders, Designers, Contractors, Subcontractors, and Subconsultants is the best line of defense to create the shared responsibility of meeting milestones, resolving issues, and creating overall project success. Core to the creation of the "Team Attitude" is the trust gained by exceeding expectations of the City and its stakeholders.

PROPER PLANNING ENSURES PROPER EXECUTION

The key to proper execution of construction programs is proper planning. The accurate estimation and allocation of resources, the management of design to mitigate risk, understanding the team and the environment, and the development of a project work plan are all critical to the incremental control of a project and its ultimate success.

STAKEHOLDER INVOLVEMENT

Working within any municipal environment, it is imperative to involve stakeholders early and often. Stakeholder buy-in and commitment is an on-going and important process that begins with design and continues through out the life of a project.

PROJECT WORK PLANS

The Swinerton Project Work Plan typically establishes the project(s) scope, budget, schedule and basic systems to be utilized, and the management plan to be implemented. Project goals are defined and reinforced. Design and estimating exercises may be validated to ensure that the project meets the City's requirements. The work plans, and our commitment to meet the City's goals create the basis for the delivery of successful projects. Our team will complete its "homework," and will work with the City and its consultants to develop the tasks and tools we will use to move the projects along the success spectrum. A key goal of this process is to develop proper project controls - the review, scheduling and estimating exercises that will be performed to ensure that the project(s) meet the City of Commerce's requirements.

FACILITIES ASSESSMENTS

If requested, the Swinerton team can provide detailed assessments of City-owned facilities to aid in understanding the condition of city facilities and act as a tool for capital outlay and for prioritization of building maintenance and repairs as an added service. The Swinerton team can evaluate building mechanical electrical and plumbing systems; seismic/structural elements and code compliance, ADA analysis, and lifecycle and outlay analysis of building elements and replaceable items (flooring, carpet, paint, etc.)

COST ESTIMATING / BUDGETING

At the beginning of a project and throughout each design phase, if requested, Swinerton can review, analyze, and prepare a cost report to validate the Architect of Record estimate to ensure that all costs have been accounted and are accurate to existing market conditions. Additionally, at the completion of the Construction Documents Phase, Swinerton can prepare an in-house estimate to reconcile the scope and qualifications as prepared by the Architect of Record if requested. This reconciled cost is utilized as the basis for fees and as the advertised bid amount and can be coordinated through our estimating team. Swinerton also employs a Cost-to-Complete practice in which all incurred costs and projected costs associated with a project are tracked to provide a true picture of the total project cost. Throughout preconstruction and construction, project costs will be monitored and reported.

REAL NUMBERS IN REAL TIME

Swinerton is able to provide up-to-the-minute cost-estimating data due to our work as a contractor. Each and everyday, Swinerton estimators are receiving the latest pricing information from hundreds of trade contractors. Due to our relationships with subcontractors and suppliers, Swinerton is able to see the latest price fluctuations and trending information, often months before traditional stand-alone cost-estimating or CM firms can. This gives Swinerton the ability to give the City of Commerce the most accurate and up-to-date information possible.

DESIGN MANAGEMENT

The Swinerton effectively manages the architects and engineers for each project to achieve cost-effective, efficient, and architecturally appropriate designs that combine use needs for the City, while fulfilling the Federal, Agency, and Regulatory requirements and considering the community's needs.

VALUE ENGINEERING & CONSTRUCTABILITY REVIEWS

Swinerton's goal in value engineering (VE) is to insure that the projects meet the target budget while not sacrificing quality standards or design intent. Through this process we are able to identify areas, which hold potential for savings, added value, increased quality, operational life cycle considerations and schedule reduction.

If requested by the City, Swinerton can perform constructability reviews during the design phase in order to minimize "risk" in the form of change orders during construction. Some of the benefits of utilizing a contractor based-CM during VE include:

- Construction Experience to Leverage Lessons Learned into Cost Savings
- Real-Time Construction Cost Information
- Ability to Identify Efficiencies and Alternatives

SCHEDULING

A master schedule is developed, maintained, and updated on a monthly basis. It is used to recommend acceleration, recovery plans, forecasts, milestones, and any agency constraints, approvals, utility shut-downs, as well as analyze change orders. The master schedule takes into account all activities to create minimal disruption to the City. Safety of City employees and the general public is of the utmost concern and is considered throughout the process of developing the project master schedule.

Scheduling will assess project information, assumptions and project team clarifications to establish milestones / decision dates for the project. The preliminary schedule is typically prepared in collaboration with the owner, architect and construction management team to set up project controls with the goal of satisfying overall program requirements. SMC will also assist with the creation of a master schedule and if requested can be involved in early procurement of key items which could cause impacts to the progress of the project. Once a contractor is on board, the Swinerton team will also evaluate their schedule for logic, detail, and completeness.

'BRINGING A PROJECT BACK ON SCHEDULE' - SCHEDULE MANAGEMENT PROCEDURES

These procedures are critical on all projects. Starting and completing projects in alignment with the critical dates, and in conjunction with other projects can be critical. Swinerton manages the contractor's schedules through:

- Project-specific Reporting
- Identification of Major Project Milestones and Critical Dates
- Identification of Long Lead Procurement Activities

- Identification of any Equipment and FF&E Activities
- Construction Contractor Submittal Review & Approval
- Commissioning Coordination
- Substantial and Final Completion

HELPING ALL PARTIES BE SUCCESSFUL

As a Staff Augmentation Construction/Project Manager, it is Swinerton's responsibility to help all team members achieve success. Our role is to be a manager, a problem solver, and to provide assistance where the program has the most need. Our role is not to be divisive but to create forward progress towards a shared goal and help all parties be successful.

PROPER PLANNING - KEYS TO SUCCESS

- No Surprises – Cover All Possible Scenarios, Costs, and Contingencies
- Communication - Close Coordination with All Stakeholders
- Create a Clear Roadmap through Construction
- Help All Parties Be Successful

EXECUTING THE PLAN – PROJECT/CONSTRUCTION MANAGEMENT /PROFESSIONAL SERVICES

CONSTRUCTION EXPERIENCE

Swinerton brings over 125 years of construction experience as an experienced manager and builder, Swinerton offers the experience and depth of resources to address issues, offer innovative solutions, and create value for all those involved in the process.

COMPREHENSIVE CONSTRUCTION MANAGEMENT

Construction Management is the core of Swinerton's services. Swinerton will act as an extension of the City of Commerce and Departmental Staff to provide overall coordination, planning and management required to control cost, schedule and quality, including the standard services of:

- Bid & Award Services
- Progress Meetings
- Field Presence & Inspections
- Daily Logs & Status Reporting
- Schedule Management & Recovery Strategies
- Document Management
- Submittals, RFIs', and Correspondence
- Change Order Management
- Pay Applications
- Cost Controls
- Safety Program Oversight
- As-Built Information
- Lien Release
- PunchList/Close Out Completion

RISK ANALYSIS, CLAIMS AND CHANGE AVOIDANCE

A good understanding of the construction process is a prime ingredient for success in claims avoidance, requiring the participation of all team members throughout the life of the project. As a firm with 125 years of experience as a general contractor, we are best able to provide the builder's perspective to this process. Risk analysis and claims avoidance starts in the preconstruction phase of the project by ensuring that complete and accurate documents are issued for bidding purposes. We review proposed design changes and seek alternates, to eliminate and/or mitigate any extra costs. In addition, we maintain and record in detail daily project operations, particularly with regard to the schedule, manpower productivity, deliveries and delays. All change order requests will be logged in and tracked as described above. Depending on the nature of the change, an impact assessment will be performed. Should a change order or claim arise, this review will be the basis for development of a course of action for deposition of the claim. We will prepare a fair cost estimate as a basis of negotiation and will propose a recommendation for the final negotiated amount. Rather than delaying settlement discussions to the end of the program/project, we pursue a fair resolution in a timely fashion during the course of construction when these claims are more manageable.

CONFLICT RESOLUTION

Swinerton believes that early project collaboration and formal partnering can be a helpful step in mitigating the need for conflict resolution later in the project. Swinerton addresses every issue in a timely manner, so they do not accumulate and become overwhelming. Waiting until the end of the job to resolve conflicts do not benefit either the client or the contractor, so we make an enormous effort to settle issues as they arise. If issues do arise, Swinerton prefers to resolve the issue early through the process of formal partnering at the team level then partnering at the management level. If issues are not resolved at these levels and positions from each side are entrenched, alternatives like mediation will be explored to mitigate the need for litigation.

PROJECT CONTROLS / DOCUMENT CONTROLS

Swinerton Document Controls is a key component of effective to our construction management. As part of Document Controls, we will manage the Document Control System, and streamline many of the processes encountered in construction projects. The Swinerton team will track:

- Contractor Billings
- Permit Tracking and Agency, and Approvals
- RFIs, Submittals, CORs, Correspondence
- Bid Distribution and Management
- Punch Lists

CLOSE-OUT

This is where our philosophy of "No Punchlist" pays off. A list of items for completion at the end of a project is usually necessary, but often it is time consuming, and costly to all parties. By addressing the majority of these items as they are observed during the construction process, we will greatly minimize the remedial work to be performed at the end of the project. Prior to the preparation of the design

team's punch list, we perform a thorough walk-through in order to minimize items. During project close-out, we will administer the preparation of Certificates of Substantial and Final Completion, including any necessary certifications or occupancy procedures of regulatory authorities. We will assemble all guarantees and warranties as required by the contract documents, and review them for completeness and verify they cover all work. We will receive and check all releases of claims required prior to issuance of the final certification of completion and satisfaction of any condition present to final payment. We will determine the value of any incorrect work and make recommendations on the withholding of payments to contractors where deemed necessary. We will work closely with maintenance and building management, and any other individuals who need to be involved in the start-up following project completion.

AREAS OF STRENGTH FOR SWINERTON

- Over 125 Years of Real-World Construction Experience – As a Construction Manager and Contractor
- Excellent Corporate Resources Related to Cost, Schedule, and Constructability Management
- Being an Strong Advocate to the City
- Bringing Projects in On-Time and Under Budget

SWINERTON MANAGEMENT & CONSULTING FEE PROPOSAL – 2014-2015 PROJECT/CONSTRUCTION MANAGEMENT

Lump Sum billing is cost effective and eliminates fluctuations in billing cycles. This billing option and staffing structure is identical to Swinerton's billing and staffing structure for the 2013-2014 year. Under this billing method, each month of the term of the contract will be billed at a set amount for the scope of services. This method is often preferred and cost effective due to the changing amount of hours in each month. This method also allows for additional use of Swinerton's in house resources including Estimators, Construction Schedulers, Construction Superintendents (for constructability reviews), Safety Managers, LEED/Sustainability Consultants, and Agency Coordinators.

LUMP SUM MONTHLY BILLING:

- MONTHLY BILLING FOR STAFF AUGMENTATION PROJECT/CONSTRUCTION MANAGEMENT - \$21,465.00
- YEARLY NOT TO EXCEED TOTAL: \$257,580.00

STAFFING:

- FULL-TIME ON-SITE PROJECT /CONSTRUCTION MANAGER -- PAUL BANUELOS
- LIMITED AS-NEEDED ESTIMATOR -- GERALD PLUMMER
- LIMITED AS-NEEDED SCHEDULER -- LETICIA HOUSEHOLDER
- LIMITED AS-NEEDED CONSTRUCTABILITY REVIEWS -- RICHARD PRATTE
- LIMITED AS-NEEDED SAFETY PERSONNEL -- JON GREGG
- LIMITED AS-NEEDED LEED/SUSTAINABILITY CONSULTING -- DAVE CRAMP, LEED AP, PE

(AS-NEEDED STAFF IS AVAILABLE TO BE USED FOR LIMITED CONSULTATION PURPOSES. IF IN-DEPTH SERVICES ARE REQUIRED FROM THE ADDITIONAL AS-NEEDED STAFF THE SERVICES WILL BE BILLED BY THE HOUR AND PRESENTED AS A PROPOSAL TO BE APPROVED BY CITY STAFF BEFORE INITIATING SERVICE. NOTE, THAT IF NAMED AS-NEEDED STAFF ARE UNAVAILABLE AT THE TIME OF SERVICES, THEY MAY BE SUBSTITUTED BY STAFF OF EQUAL OR GREATER TITLE TO PERFORM THE SERVICES.)

**SWINERTON MANAGEMENT & CONSULTING
PROPOSAL FOR SERVICES JULY/2014-JUNE/2015**

**INTERN / PROJECT ENGINEER
SUPPORT SERVICES**

Swinerton Management & Consulting (SMC) and its team is pleased to offer professional intern/project engineer assistance services in support of the City of Commerce's Capital Improvement Program (CIP).

INTERN / PROJECT ENGINEER SUPPORT ROLE

The role of a project intern or project engineer is to be a support position to the City's facilities staff and the overall CIP team, and to provide general administrative, document controls, and project engineering services on a wide range of capital improvement projects. With multiple concurrent projects, a team can greatly benefit with the addition of a project intern to reduce the administrative burden and to allow more senior staff to focus on the active management of projects

INTERN/PROJECT ENGINEER SERVICES

The services that will be provided will include the tracking and logging of project documents, scanning and copying of project correspondence and documents, providing coordination between project team members (City staff, designer, engineers, inspectors, regulatory agencies, utilities, etc.), assistance with project reports, assistance with research regarding project elements, coordination with planning department, submittal verifications and assistance, basic take-offs and change order research, etc

INTERN/PROJECT ENGINEER PROFESSIONAL DEVELOPMENT AND BENEFITS

The Swinerton Intern and Project Engineer positions are an excellent opportunity for a promising undergraduate, graduate student, or recent graduates to gain valuable on-the-job experience on a wide range of Capital Improvement Projects (CIP) and to provide a strong foundation to their professional career. Swinerton also provides a comprehensive training program for our interns and project engineers with personal Sr. Project Executive Mentors and Sr. Project Manager and Sr. Superintendent Trainers in a real-world environment with in-the-field training modules on foundation systems, structural steel systems, rebar/forming, suspended decks, masonry, framing, MEP systems, green/sustainable construction, roofing, water intrusion protection, storm water pollution mitigation, interior finishes, data/low voltage systems, curtain wall systems, and many other components. The Swinerton Intern position is a part-time paid position, which in addition to training and monetary compensation also provides 401K benefits. The Swinerton Project Engineer position is a full-time paid position, which also provides training, monetary compensation, 401K benefits and the full-scope of Swinerton benefits.

SWINERTON MANAGEMENT & CONSULTING FEE PROPOSAL – 2014-2015 INTERN / PROJECT SUPPORT OPTION 1 – CURRENT INTERN (AT CURRENT AVERAGE PART-TIME HOURS)

This proposal includes the use of the current part-time intern and City of Commerce resident, Jacky Gonzalez (at her current average workload of 29 hours per week) to assist the City of Commerce and their team. Jacky has received her Master's degree in Civil Engineering in 2013 and has been providing excellent services to the City of Commerce and Swinerton over the past year. Ms. Gonzlaez has been receiving real-world experience working within a public works construction program, along with training, compensation, and 401K benefits from Swinerton.

It is recommended that this billing method be charged hourly for hours worked by the intern during the term of the contract. For this type of position, hourly services are often preferred and cost effective due to the possible variance of the part-time schedule.

HOURLY BILLING:

- \$35/HR – BILLED ONLY FOR HOURS WORKED
- MONTHLY AVERAGE PART-TIME \$4,060 (ASSUMING 116 HRS A MONTH / 29 HRS A WEEK) MONTHLY AVERAGE FULL-TIME 5,600 (ASSUMING 160 HRS)
- YEARLY NOT TO EXCEED TOTAL: \$48,720

STAFFING:

- PART-TIME INTERN / PROJECT ASSISTANT (29 HRS/WK STANDARD)

SWINERTON MANAGEMENT & CONSULTING
FEE PROPOSAL – 2014-2015
INTERN / PROJECT SUPPORT
OPTION 2 – NEW INTERN POSITION
(INTERN TO BE ON BOARD
SEPTEMBER 2014)

This proposal includes the use of a new part-time intern (assuming the possibility of full-time months in summer if requested and feasible) to assist the City of Commerce and their team. The student intern would preferably be a university/college student and studying engineering, architecture, or construction management. The use of a college student intern would provide the team with additional administrative/project assistance, and provide the student intern with real-world experience working within a public works construction program, along with training, compensation, and 401K benefits.

Due to the flexibility of a student's schedule from one semester to the next it is recommended that this billing method be charged hourly for hours worked by the intern during the term of the contract. For this type of position, hourly services are often preferred and cost effective due to the possible variance in the intern's schedule. This method will allow for flexibility for the student intern during different times of the year (finals, summer, etc.) to complete their studies while also being cost effective for the City.

HOURLY BILLING:

- \$35/HR – BILLED ONLY FOR HOURS WORKED
- MONTHLY AVERAGE PART-TIME \$2,800 (ASSUMING 80 HRS) MONTHLY AVERAGE FULL-TIME 5,600 (ASSUMING 160 HRS)
- YEARLY NOT TO EXCEED TOTAL: \$42,000 (ASSUMING THE POTENTIAL FOR THREE FULL-TIME MONTHS IN THE SUMMER)

STAFFING:

- PART-TIME INTERN / PROJECT ASSISTANT (20 HRS/WK STANDARD – 40 HRS/WK IN SUMMER MONTHS IF REQUESTED AND FEASIBLE FOR THE CITY)

SWINERTON MANAGEMENT & CONSULTING FEE PROPOSAL – 2014-2015 INTERN / PROJECT SUPPORT OPTION 3 – CURRENT INTERN (AT INCREASED PART-TIME LEVEL)

This proposal includes the increased use of the current part-time intern and City of Commerce resident, Jacky Gonzalez (to increase her current average workload to 32 hours per week) to assist the City of Commerce and their team. This increase in hours would allow Swinerton to provide an increase in Jacky's benefits. Jacky has received her Master's degree in Civil Engineering in 2013 and has been providing excellent services to the City of Commerce and Swinerton over the past year. Ms. Gonzalez has been receiving real-world experience working within a public works construction program, along with training, compensation, and 401K benefits from Swinerton.

It is recommended that this billing method be charged hourly for hours worked by the intern during the term of the contract. For this type of position, hourly services are often preferred and cost effective due to the possible variance of the part-time schedule.

HOURLY BILLING:

- \$55/HR – BILLED ONLY FOR HOURS WORKED
- MONTHLY AVERAGE PART-TIME BILLING: \$7,040 (ASSUMING 128 HRS A MONTH / 32 HRS A WEEK)
- YEARLY NOT TO EXCEED TOTAL: \$84,480

STAFFING:

- PART-TIME INTERN / PROJECT ASSISTANT (32 HRS/WK STANDARD)

SWINERTON MANAGEMENT & CONSULTING FEE PROPOSAL – 2014-2015 INTERN / PROJECT SUPPORT OPTION 4 – CURRENT INTERN TO BECOME ENTRY PROJECT ENGINEER (AT FULL-TIME LEVEL)

This proposal includes the use of the current part-time intern and City of Commerce resident, Jacky Gonzalez to move from “Intern” status to a full-time “Entry Project Engineer” to assist the City of Commerce and their team.

The Entry Project Engineer is the standard full-time entry position for recent graduates moving into the construction management and related consultant fields after an industry internship. This would be Jacky’s first full-time position in the field. This change in position and increase to full-time would allow Swinerton to increase both the salary and benefits given to Jacky. Jacky has received her Master’s degree in Civil Engineering in 2013 and has been providing excellent services to the City of Commerce and Swinerton over the past year. Ms. Gonzalez has been receiving real-world experience working within a public works construction program, along with training, compensation, and 401K benefits from Swinerton.

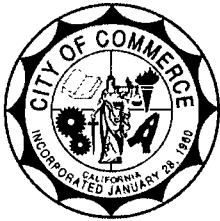
This billing method can be charged at either a lump sum monthly rate or at an hourly rate for hours worked by the Project Engineer during the term of the contract.

HOURLY BILLING:

- \$55/HR – BILLED ONLY FOR HOURS WORKED
- MONTHLY AVERAGE FULL-TIME/LUMP SUM BILLING: \$8,,600 (ASSUMING 160 HRS A MONTH / 40 HRS A WEEK)
- YEARLY NOT TO EXCEED TOTAL: \$105,600

STAFFING:

- FULL-TIME ENTRY PROJECT ENGINEER (40 HRS/WK STANDARD)



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. **22**

FROM: City Administrator

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE SIXTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR DESIGN AND ENGINEERING SERVICES WITH RBF CONSULTING FOR THE WASHINGTON BOULEVARD WIDENING AND RECONSTRUCTION PROJECT

MEETING DATE: July 1, 2014

RECOMMENDATION:

Approve the Resolution approving the Sixth Amendment to the Professional Services Agreement for Design and Engineering Services with RBF Consulting (RBF) for the Washington Boulevard Widening and Reconstruction Project (Project) to include newly requested services including additional changes to the Plans, Specifications and Estimates (PS&E) through final design, bid and construction in advance of advertising for construction.

BACKGROUND:

Washington Boulevard is a regional significance arterial in Commerce which is a part of the Gateway Area of Los Angeles County, it serves as a key link for goods movement to and from the two ports (Long Beach and Los Angeles), as well as goods movement to and from the Rail Road Yards (UPC and BNSF) and throughout Southern California. Because for this regional significance the City received a Call for Project Grant from Metropolitan Transportation Authority in 2007 and funding from the California Traffic Commission to fund capacity improvement along this movement of goods corridor.

The Washington Boulevard Reconstruction Project (the "Project") will widen and reconstruct Washington Boulevard from the I-5 Freeway (on the east) to 350 feet west of Indiana Street (Commerce City Limit). The Project will add an additional lane in each direction, reconstruct the roadway, increase turning radius, install landscape medians, improve the railroad crossing (west of Commerce Way), upgrade traffic signals/street lighting, improve storm drain systems, install new curb & gutters, repair damaged sidewalks, install ADA-compliant ramps at intersections, and install new trees and directional signage.

City staff directed the consultants to perform a preliminary value analysis of the project to assure cost efficient design and to keep the project within its budget. The preliminary value engineering identified a potential cost saving of up to \$4,800,000 which is necessary to keep the project within budget.

On June 19, 2012, the City Council awarded a Professional Services Agreement to RBF Consulting (RBF) for design and engineering services for the Project, in the amount of \$1,442,679.

On December 4, 2012, the City Council approved the First Amendment to the Services Agreement with RBF Consulting for the Project increasing the contract amount by \$108,640.00.

On April 2, 2013, the City Council approved the Second Amendment to the Services Agreement with RBF Consulting for the Project increasing the contract amount by \$68,300.00.

On July 16, 2013, the City Council approved the Third Amendment to the Services Agreement with RBF Consulting for the Project increasing the contract amount by \$368,020.00.

On September 3, 2013, the City Council approved the Fourth Amendment to the Services Agreement with RBF Consulting for the Project increasing the contract amount by \$57,170.00.

On April 15, 2014, the City Council approved the Fifth Amendment to the Services Agreement with RBF Consulting for the Project increasing the contract amount by \$210,249.00.

ANALYSIS:

Preliminary value engineering and analysis identified potential savings of up to \$4,800,000 on total construction costs. In order for the City to realize the potential cost saving a Cost Reduction Analysis needs to be performed by the consultants and the project team. Once the project has been valued engineered by the consultant and project team, Amendment #6 will provide for the current project construction Plans to be revised

A summary of additional requested services for Amendment #6 includes:

1. As Needed Pre-construction Survey Support
2. Utility Disposition Plans
3. Plan Revisions Resulting from Value Engineering Cost Reduction Analysis
4. Median Island Revisions
5. NPDES & LID Report and Plan Revisions
6. Crosswalk Removal Analysis and Report
7. Specification Revisions
8. Quantity and Cost Estimates Plan Revisions
9. Additional Meetings/Management & Administration
10. Resident Engineer Files
11. Re-establish Bid Support Task

The total amendment amount for these additional services is \$369,914.00. The Federal SAFETEA-LU grant funds will pay for 80% of the cost related to this amendment (or \$295,931.20). Staff recommends approval of the Sixth Amendment adjusting the contract amount from \$2,225,058.00 to \$2,594,972.00.

ALTERNATIVES:

1. Approves staff's Recommendation
2. Reject staff's Recommendation
3. Provide staff with further direction

FISCAL IMPACT:

This activity results in an additional \$73,982.80 to be drawn from the 20% Local (City Match) as shown in the table below.

The proposed professional services agreement will be funded as follows:

	Original Agreement	1 st , 2 nd , 3 rd , 4 th & 5 th Amendments	6 th Amendment	New Totals
Federal Funds (SAFETEA-LU)	\$1,154,143.00	\$649,903.20	\$295,931.20	\$2,099,977.40
Local (City Match)	\$288,536.00	\$330,585.80	\$73,982.80	\$693,104.60
TOTAL	\$1,442,679.00	\$980,489.00	\$369,914.00	\$2,793,082.00

RELATIONSHIP TO STRATEGIC GOALS:

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

Respectfully submitted, Jorge Rifa City Administrator

Recommended by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Wendell Johnson, Assistant Director of Public Works and Development Services

Fiscal impact reviewed by: Vilko Domic, Finance Director

Approved as to form: Eduardo Olivo, City Attorney

ATTACHMENTS:

1. Exhibit "B" (Additional Work Request/RBF Fee Table)
2. Resolution
3. Sixth Amendment

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING THE SIXTH AMENDMENT TO THE PROFESSIONAL
SERVICES AGREEMENT FOR DESIGN AND ENGINEERING SERVICES WITH RBF
CONSULTING IN THE AMOUNT OF \$369,914.00 FOR THE WASHINGTON
BOULEVARD WIDENING AND RECONSTRUCTION PROJECT

WHEREAS, on June 19, 2012, the City Council awarded a Professional Services Agreement (Agreement) to RBF Consulting for design and engineering services for the Washington Boulevard Widening and Reconstruction Project; and

WHEREAS, on December 4, 2012, the City Council approved the First Amendment to the Professional Services Agreement for Design and Engineering Services with RBF Consulting, increasing the contract amount by \$108,640.00 and adding additional services; and

WHEREAS, on April 2, 2013, the City Council approved the Second Amendment to the Professional Services Agreement for Design and Engineering Services with RBF Consulting, increasing the contract amount by \$68,300.00 and adding additional services; and

WHEREAS, on July 16, 2013, the City Council approved the Third Amendment to the Professional Services Agreement for Design and Engineering Services with RBF Consulting, increasing the contract amount by \$368,020.00 and adding additional services; and

WHEREAS, on September 3, 2013, the City Council approved the Fourth Amendment to the Professional Services Agreement for Design and Engineering Services with RBF Consulting, increasing the contract amount by \$57,170.00 and adding additional services; and

WHEREAS, on April 15, 2013, the City Council approved the Fifth Amendment to the Professional Services Agreement for Design and Engineering Services with RBF Consulting, increasing the contract amount by \$210,249.00 and adding additional services; and

WHEREAS, the City of Commerce and RBF Consulting desire to amend the existing Agreement to include additional services necessary to complete the project design increasing the contract amount by \$369,914.00 and thereby establishing a Sixth Amendment to the Agreement with RBF .

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

Section 1. The Sixth Amendment to the Professional Services Agreement between the City of Commerce and RBF Consulting is hereby approved in the amount of \$369,914.00. The Mayor is hereby authorized to execute the Sixth Amendment for and on behalf of the City.

PASSED, APPROVED AND ADOPTED this 1st day of July 2014.

Tina Baca Del Rio, Mayor

ATTEST:

Lena Shumway
City Clerk

Additional Work Request PSA #6

To: City of Commerce <hr/> Ms. Maryam Babaki, PE Director <hr/>	Project Name: Washington Boulevard Reconstruction <hr/> Project No.: 132964 (10-107909) <hr/> Date: Revised June 10, 2014 <hr/>
From: Gary Miller, Project Manager <hr/>	Subject: City Professional Services Agreement (PSA) #6 - Additional Work Request <hr/>

DESCRIPTION OF CHANGES:

This request is for the purpose of including newly requested services into a Professional Services Agreement (PSA) #6 for Council approval. This amendment includes additionally requested services for design, bid and construction support yet to be completed. As a result of Council meetings and discussions with the City, additional changes to the plans will be needed to complete the Plans, Specifications and Estimates (PS&E) through final design, bid and construction in advance of advertising for construction.

SUMMARY OF REQUESTED SERVICES (CITY PSA #6)

(Work to be performed after June 2014 Council Approval)

1. As Needed Pre-Construction Survey Support
2. Utility Disposition Plans Resulting from PSA #5
3. Plan Revisions Resulting from Cost Reduction Analysis (PSA#6)
4. Median Island Revisions (Bank of the West & Removals – (Pending City Direction)
5. NPDES & LID Report and Plan Revisions
6. Cross Walk removal analysis and report
7. Specification Revisions (PSA #5 & #6)
8. Quantity and Cost Estimates (PSA #5 & #6) Plan Revisions
9. Additional Meetings/ Management & Administration (June 10, 2014 to July 31, 2014)
10. Resident Engineer Files
11. Re-establish Bid Support Task

(Work completed but requiring formal June 2014 Council Approval)

1. Cal Water Avoidance Analysis
2. Cost Item Reduction Analysis and Exhibits (Pavement, Traffic Control, and other Bid Items)
3. Landscape Revisions (Sidewalk banding, scoring details)
4. Additional Meetings/ Management & Administration (April 14, 2014 to June 10, 2014)
5. Caltrans SSP Revisions
6. ROE & Access Requirements Exhibit

SUMMARY OF FUTURE SERVICES (CITY PSA #7)

1. Construction Support Services

DETAILED SCOPE OF SERVICES

TASK 01 SURVEY SUPPORT, ROW MAPPING AND LEGALS

1.01 As Needed Pre Construction Survey and Marking – Budgetary

As a result of a request by the Right-of-way consultant for the City (John Yonai) RBF has been requested to provide as needed survey services to mark the locations of property owner facilities to be relocated from the City right of way onto private property. A budgetary allocation has been included to provide these services on an as needed basis. Fees will be based on the actual work performed by RBF. Additionally, as may be requested by the City and Cal Water, RBF will mark locations of future water meters resulting from plans provided by Cal Water.

TASK 02 GEOTECHNICAL INVESTIGATIONS

2.01 Evaluate Alternative Pavement Design (Cost Reduction Analysis) (DYA)

RBF has been requested to evaluate alternative design to reduce and eliminate new concrete pavement within sections of underlying existing concrete and to perform a Life Cycle Analysis to determine anticipated reduction in pavement life resulting from the new design.

Diaz•Yourman & Associates (DYA) will provide additional geotechnical services for the subject project. This proposal is based on RBF's email dated May 13, 2014 and our discussions. We understand that the proposed additional geotechnical services will consist of evaluating the following:

- The option to add two inches of rubberized asphalt concrete (AC) over the portions of the project between Interstate (I) -710 and I-5 where existing AC is present over Portland cement concrete (PCC).
- The option to mill and replace two inches of the existing AC with rubberized AC over the portions of the project between Interstate (I) -710 and I-5 where existing AC is present over Portland cement concrete (PCC).
- Two AC pavement sections for the design traffic indices (TIs). One for each subgrade condition.

The scope of services for input to design, proposed schedule, and estimated fee are as follows:

1. Evaluate the two overlay options over existing pavement section with AC over PCC. The approximate life of the pavement and/or estimate time when reflective cracking may propagate to the surface will be provided.
2. Provide two AC pavement sections for the design TIs.
3. Provide an addendum report with conclusions regarding proposed alternative AC pavement thickness.
4. Review plans for general accordance with DYA's recommendations.

Maryam Babaki
City of Commerce - Washington Blvd.
CITY PSA #6
Revised 6/10/14

TASK 03 PLANS, SPECIFICATIONS AND ESTIMATES

3.01 Roadway, Utility Disposition Plan Revisions and Analysis

3.01.1 Utility Disposition Plan Revisions

Consultant shall:

- Modify Utility Disposition Plans to show the new City owned street light system, tree uplighting, Cal Water and other utility changes to the plans resulting from this amendment and subsequent discussions with CalWater. Street lighting and up-lighting design has been previously approved as a result of PSA #5.
- Prepare exhibits and provide an analysis of conflicts related to the request by the City and CalWater to maintain the existing CalWater line in place to the extent feasible.

3.01.2 Cost Reduction Alternative Analysis & Exhibits

Consultant shall prepare exhibits, typical sections and cost analysis to determine potential cost savings related to the construction estimate (Option 2) items as follows:

- Eliminate Traffic Signal Communications during construction (fixed time)
- Reduction of PCC paving by:
 - Remove existing asphalt and replace with new pavement over the existing PCC Pavement
 - Full 12 foot wide PCC pavement along curb lane
 - Eliminate Removal and replacement of existing PCC intersections
 - Provide full depth asphalt paving within areas between existing PCC and new PCC paving
 - PCC Paving between I-710 and westerly to project limits will remain PCC

Assumes that all pavement within the Caltrans permit plan areas will remain PCC in accordance with the approved CT permit.

This task also provides for a matrix showing cost estimates for Options sufficient for presentation to Council as follows:

- Option 1 - Estimate to maintain plans as currently designed with full concrete improvements
- Option 2 - Estimate to provide for reduce concrete as described above.
- Option 2A - Same as Option 2 except provide for new PCC intersections.

3.01.3 Cost Reduction Roadway Plan Revisions

Consultant will prepare plans to accommodate Option 2 described above. Revisions to plan sheets will be necessary for:

- Typical Sections and Construction Notes
- Intersection Details
- Revisions to design sections and construction notes (I-710 to westerly project limits)

Maryam Babaki
City of Commerce - Washington Blvd.
CITY PSA #6
Revised 6/10/14

- Revisions to layout profiles and construction notes (I-5 to I 710)

3.01.4 Median Revisions (Bank of the West)

Consultant will prepare plans to eliminate portions of the median to allow a right in and right out from the Bank of the West driveway. Plans affected to accommodate this revision include:

- Roadway Plans
- Median Island Planting and Irrigation Plans
- Traffic Control Plans
- Striping Plans

3.01.5 ROE & Access Requirements Exhibit

Consultant will prepare one (1) drawing and summary matrix to describe the properties adjacent to the improvements for this project that will require limited temporary access onto private properties to construct the improvements. Additionally a matrix will be prepared to summarize the impacts as well as the anticipated methods for joining the various conditions (ie- landscape, buildings, asphalt and concrete pavements, etc.). Consultant will coordinate with the right-of-way consultant (John Yonai) to provide information as needed for the document to be signed by the property owners to allow access to their property. This task excludes the preparation of legal descriptions and exhibits for the properties to be accessed.

3.02 Landscape Plan Revisions

As a result of a request by the City and subsequent Council meeting on November 19, 2013, Consultant will revise landscape plans to accommodate Council requested revisions.

3.02.1 Sidewalk Scoring and Decorative Paver Banding

Consultant will revised plans and details to incorporate sidewalk scoring and decorative paver banding as presented at the Council meeting on 11/19/13.

Additionally, Consultant will prepare additional concepts and visual analysis for presentation to Council at the meeting currently scheduled for June 3, 2014 to present:

- Proposed City lighting options
- Current planned Median and Parkway Landscape

3.03 Stormwater Plan Revisions

3.03.1 NPDES & LID/ Green Streets - SUSMP

Project site is in the City of Commerce in Los Angeles County. The 2.8 mile-roadway improvement project drains ultimately to the Los Angeles River watershed and its tributaries. Receiving waters downstream of the roadway project are currently impaired for multiple pollutants and may be addressed as part of the water quality project tasks. For the City of Commerce, new or redevelopment project submitted for review and

Maryam Babaki
City of Commerce - Washington Blvd.
CITY PSA #6
Revised 6/10/14

approval is subject to the requirements of the Municipal National Pollutant Discharge Elimination System (NPDES) Permit and Low Impact Development (LID)/EPA green street policies. All roadway projects will be required to submit a drainage concept and stormwater quality plan as part of the Standard Urban Stormwater Mitigation Plan (SUSMP). Details of facilities and measures, which mitigate impacts to water quality, would then be shown on improvement plans and reviewed as part of those plans. The SUSMP outlines the BMPs to be incorporated into the project design. The following scope and fee is to address the water quality requirements for the area encompassing the proposed site improvements.

DEVELOPMENT OF A SUSMP

The proposed project is subject to the Standard Urban Stormwater Mitigation Plan (SUSMP) requirements of the County of Los Angeles. Therefore, this task consists of preparing a SUSMP document to address Best Management Practices (BMPs) that will be incorporated into the project County of Los Angeles SUSMP requirements. The following requirements of the SUSMP will be addressed (not all may apply):

1. Peak Storm Water Runoff Discharge Rates
2. Minimization of Storm Water Pollutants of Concern
3. Protect Slopes and Channels
4. Provide Storm Drain system Stenciling and Signage
5. Maintenance of BMPs
6. Design Standards for Treatment Control BMPs
7. Provisions Applicable to Individual Priority Project Categories

A plan shall be prepared describing the project's proposed storm water mitigation elements. BMPs used for minimizing the introduction of pollutants of concern generated from the project site runoff to the storm water conveyance system will be described.

Product: *Development of a project SUSMP.* The above stated fee includes the development of a SUSMP document, one (1) round of response to comments from the reviewing agency, and one (1) revised SUSMP document for resubmittal. The above stated fee does not include geotechnical work.

3.03.2 LID Improvement Plans

Plans

Prepare plans for the construction of BMPs to support the SUSMP. The BMPs will be conveyed to catchbasins as shown on the approved plans. Plan/Profiles and details of the BMPs and the connections to the catchbasins will be included.

County Coordination

Consultant will coordinate with LACFCD/LACDPW for the construction of the BMP and connection to the County's catchbasin. The connections to the catchbasins will require review and approval of LACFCD/LACDPW. This Task will include two (2) plan check cycles.

City Coordination

Consultant will coordinate with the City of Commerce for the construction of the BMP and connection to the County's catchbasin. This Task will include two (2) plan check cycles.

3.04 Traffic Electrical Analysis and Plan Revisions (New)

3.04.1 Crosswalk Removal Study

The City of Commerce has requested to conduct a traffic analysis to evaluate the proposed removal of existing marked crosswalks at the following locations:

- Washington Boulevard at Indiana Street
- Washington Boulevard at Oak Street
- Washington Boulevard at Arrowmill Avenue
- Washington Boulevard at Cobb Street

In addition, the City of Commerce has asked to evaluate the removal of the uncontrolled marked crosswalks across Washington Boulevard at the following locations where a Rectangular Rapid Flashing Warning System is currently proposed as part of the Washington Boulevard improvements.

- Washington Boulevard at Strong Avenue
- Washington Boulevard at Fitzgerald Avenue
- Washington Boulevard at Daniel Avenue

Traffic Volumes - RBF will collect pedestrian and bicyclist traffic data at the seven (7) intersections indicated above. Traffic data will be collected at the following locations:

- a) 6:00 a.m. to 8:00 p.m. during 3-week days (Tuesday, Wednesday, Thursday)
- b) 6:00 a.m. to 8:00 p.m. during a Saturday

Traffic Analysis – Based on the traffic data collected, RBF will analyze the number of pedestrians and bicyclists crossing the marked crosswalks during a typical weekday and a Saturday in 2014. RBF will provide recommendations for removal of existing crosswalks and/or will provide recommendations to improve the visibility of uncontrolled marked crosswalks.

Traffic Report – RBF will provide a Traffic Engineering Letter Report which summarizes: existing conditions, existing vehicle/pedestrian/bicyclist circulation, references requirements and assumptions, pedestrian crossing analysis, and recommended improvements. Supporting technical data and graphical illustrations (exhibits) will be included in the report.

3.05 BNSF RAIL CROSSING

As a result of discussions with the railroad it is planned that the improvements for an upgraded rail spur crossing will not be necessary. Consultant shall revise the previously prepared plans to eliminate the BNSF crossing and replace with full roadway improvements consistent with the intent of the project to include new concrete roadway pavement, curb and gutter, sidewalk and planted median as appropriate. This revision to the plans will also require revisions to the previously prepared project quantity and cost estimates.

3.06 AMENDED QUANTITY AND COST ESTIMATES

Revisions to the quantities and cost estimates will be necessary to incorporate the revisions associated with PSA #5 and this amendment. The RBF Team will prepare one (1) additional final construction quantity take-off and construction cost estimate for the additional revisions as provided for in this amendment in accordance with City's requirements. It is anticipated that cost estimates will be revised for Roadway, Utilities, Stormwater NPDES requirements and Street lighting.

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3.07 SPECIFICATIONS AND BID DOCUMENTS

Revisions to the quantities and cost estimates will be necessary to incorporate the revisions associated with PSA #5 and this amendment.

3.07.1 Caltrans Specification Revisions to SSP's

As a result of the recent comments from Caltrans, Consultant reviewed, updated and incorporated Caltrans Revised Standard Specifications (RSS's) and Standard Special Provisions (SSP's) in order to obtain approvals for the encroachment permit for the project. This information will also be necessary to be incorporated into the specifications for the documents to be advertised by the City. These revisions were deferred from PSA#5 to this new requested PSA#6.

3.07.2 Additional Specifications (PSA #5 & This Amendment)

Banner Poles & Street Lighting

The RBF Team will revise the Technical Specifications to include specific requirements to match the new City owned street lighting system. The Technical Specifications will include specifications for the proposed Banner Poles, including manufacturing requirements, color, scroll details, electrical outlets, and any additional item that may be required.

BMP Specifications

Prepare Specifications for the construction of the BMPs, conveyance and connection to the catch basins. Provisions will be prepared using Microsoft Word.

Cost Reduction Bid Items

Consultant will assist City in the determination of cost reduction bid items and will include as Deductive or Additive Alternate Bid items in order to allow flexibility to reduce project construction costs should the bids exceed the funding amount. Should these items not be sufficient to reduce the construction costs within the available budget, it is assumed that the City will pursue additional funding with the funding partners subsequent to bids being received and prior to award to achieve the required funding to construct the project. This task excludes revisions to the plans that may be required to properly identify these bid items for construction bids.

TASK 04 MEETINGS, MANAGEMENT AND ADMINISTRATION

4.01 Additional Management, Scheduling, Communications, Budgetary Assistance and Alternative Cost/ Value Engineering (VE) Analysis Meetings

Management And Administration (4/14/14 to 7/31/14)

As a result of the extended duration to complete the project along with the recent changes in staff at the City of Commerce, Consultant has been requested to provide additional assistance in to the City and its consultant team to:

- Provide the new City staff with additional files previously and prepared documents to provide an historical understanding and transfer of previously provided technical information of the project to the project team.

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- Meet and coordinate with staff to address past discussions leading to the current plan level of completion and evaluate potential cost saving alternatives to the previously prepared plans and documents due to potential budgetary constraints
- Provide additional progress reports, scheduling and project administration activities in order to maintain current scheduled completion milestones up to the anticipated project advertising date after July 31, 2014.

4.02 Meetings (4/14/14 to 7/31/14) (See meeting Summary Table following)

Due to the extended schedule, additional requests to attend additional milestone, council and PDT meetings, technical and historical transfer of project history to new City staff, has resulted in exceeding the previously

WASHINGTON BOULEVARD MEETING SUMMARY UPDATED 5/20/14				
MEETING DATE	KICK OFF & PDT	COUNCIL/ CT 7/ UTILITY	OUTREACH	COMMENTS
TOTAL MEETINGS APPROVED (ORIGINAL CONTRACT PLUS PSA AMENDMENT #3 & #5	38	36	6	80 meetings approved thru 4/14/14
MEETINGS ATTENDED FROM 4/14/14 to 5/21/14				
APRIL 22 & 29 2014	2			
MAY 5 & 13,20,21, 2014	4	0		
TOTAL ATTENDED thru MAY 21, 2014	44	36	1	77 Total Meetings Attended April 15 thru May 21, 2014
TOTAL MEETINGS REQUESTED W/ THIS AMENDMENT	14	5	0	19 ADDITIONAL MEETINGS REQUESTED THRU 7/31/14

allocated meetings. Additional meetings have been required and are necessary as a result of the extended schedule, additional requests to attend additional milestone, council and PDT meetings, technical and historical transfer of project history to new City staff. These additional meetings have resulted in exceeding the previously allocated meetings. Additional will be necessary to maintain schedules, address critical issues to be resolved and to facilitate communications among the project team. Meetings will be needed until the completion, acceptance and final approval of the project up to the date for advertising. For budgeting purposes it is anticipated that plans will be completed suitable for advertising for construction by July 31, 2014. Additional meetings will be necessary thru bidding and construction. A summary of the current and additional meetings anticipated are included in the following table:

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TASK 05 BID SUPPORT SERVICES

5.01 Prepare Resident Engineers File

If requested by the City, RBF will meet with the City's Resident Engineer (RE) and representatives as requested and provide the following information for the RE file. RBF shall provide additional information as appropriate:

- Permits
- Surveying Notes
- Geotechnical (DR) Reports
- Hydrology / Hydraulics Report and calculations
- Relevant correspondence and memoranda
- Engineering calculations (horizontal and vertical alignments, earthwork quantities, etc.)
- Environmental Agreements and Reports
- Traffic Management Plan and supplements
- Material Handouts
- Right-of-Way Maps & Agreements
- List of Project Personnel
- Cooperative Agreements

RBF will provide an electronic version, if available, of all RE file information.

Deliverable:

- RE file as described

5.02 Bid Support Services

A budgetary fee has been provided on a Time and Materials (T & M) basis to provide support services during the advertising, bid and award of the project. Assuming the bid phase schedule will last approximately one month the following services will be provided as requested by the City:

Bidding procedures will provided in accordance with the City of Commerce requirements. It is anticipated the City will:

- Advise the RBF of listing dates.
- Inform RBF of all issues and inquiries list and responses.
- Provide RBF with bid results and summary sheets for their review

During bid advertisement of the project, RBF will refer all questions concerning intent to the City for resolution. In the event that items requiring interpretation of the drawings or specifications are discovered during the bidding period, RBF will inform the City. The City will advise RBF regarding the proper procedure required for analysis of said items. Any necessary corrective action will either be in the form of an addendum prepared by RBF and issued by the City, or covered by a change order subsequent to the award of the construction contract.

Pre Bid Meeting

RBF will attend one (1) pre-bid meeting.

Deliverables:

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- Attendance at pre-bid meeting.

Respond to Inquiries and Bid Addenda Preparation

- RBF will draft responses to bidders' inquiries as requested by the City. All such responses will be routed through the Cities Construction Manager.
- RBF will prepare addenda as requested by Construction Manager. This task assumes not more than one (1) Bid Addenda will be required.
- RBF will participate in weekly conference calls and/or meetings. For budgetary purposes it is estimated that RBF will be required to attend or participate by conference call one (1) meeting per week for an anticipated one month advertising period. RBF will respond to bidders inquiries, as requested by the Client.

Deliverables:

- Draft Bidder Inquiry Responses (hard copy and electronic in MS Word)
- Copies of Addenda

Management and Administration

Following are administrative duties to be performed by RBF:

- Supervise subcontractors and staff, coordinate and monitor work for conformance with City of Commerce standards and policies
- Prepare, circulate, and file correspondence and memoranda as appropriate.
- Maintain Project files using filing system in accordance with the requirements of the City of Commerce.
- Scheduling of resources in the performance of requested services
- Activities will be performed on a time and materials basis

Deliverable:

- Management/Administration Support

Exclusions

As a result of discussions with staff it was decided that a separate request for Construction Support services will be requested for future council consideration subsequent to the CTC approval of the plans and specifications.

The following items are not included in this request for additional services but can be performed as a result of a separate scope of services amendment and authorization by the City.

- **Construction Support Services**
- **Construction Survey**
 - Re-staking for lost or destroyed stakes
 - As-constructed Surveys except as provided for herein
 - Any other work task not specially set forth in the above Scope of Services.
- **Environmental**
 - ISA
 - Lead Compliance Plan

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- Debris Containment Plan
- Traffic
 - Bank of the West Driveway Analysis
 - Median Island Plan Revisions

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EXHIBIT "A"			
FFS SCHEDULE			
PROFESSIONAL SERVICES AGREEMENT (PSA) #6			
WASHINGTON BOULEVARD			
TASK #	TASK DESCRIPTION	PRIOR APPROVED/ REQUESTED	REQUESTED
1	SURVEY SUPPORT, MAPPING & LEGALS		
1.01	AS NEEDED PRE-CONSTRUCTION SURVEY AND MARKING SERVICES		
	Private Property Owner Coordination (Budgetary Estimate)		\$10,000
	Cal Water- Water Meter Location Markings (Budgetary Estimate)		\$7,260
2	ENVIRONMENTAL & GEOTECHNICAL		
2.01	Additional Alternative Pavement Design/ Life Cycle Cost Analysis		\$7,120
3	PLANS, SPECIFICATIONS & ESTIMATES		
3.01	ROADWAY, UTILITY DISPOSITION PLAN REVISIONS & ANALYSIS		
.01	Utility Disposition Plans & Exhibits		
	Cal Water Avoidance Analysis & Exhibits	\$4,732	
	Utility Disposition Plan Revisions		\$10,155
.02	Cost Reduction Alternative Analysis & Exhibits	\$7,280	
.03	Cost Reduction Roadway Plan Revisions		\$100,672
.04	Median Revisions (Bank of the West)		\$8,664
.05	ROE & Access Requirements Exhibit and Matrix	\$5,768	
3.02	Landscape Plan Revisions		
	Sidewalk Scoring and Decorative Paver Banding Details and Plans	\$4,364	
	Additional Concepts/Council Presentation (June, 2014 Council)	\$4,328	
3.03	Stormwater Revisions		
	NPDES & LID/ Green Streets - SUSMP		\$12,152
	LID Improvement Plans & Coordination		\$26,920
3.04	Traffic Electrical Analysis & Plan Revisions		
	Crosswalk Removal Study		\$17,254
3.05	BNSF Rail Crossing		\$2,424
3.06	Amended Quantity & Cost Estimates		\$13,882
3.07	Specifications & Bid Documents		
	Caltrans Specifications Revisions to SSP's	\$5,109	
	Additional Technical Specifications (Added Plans)		\$18,522
4	MEETINGS, MANAGEMENT & ADMINISTRATION		
4.01	Management & Administration. (4/15 to 7/31/14)	\$13,400	17,948
313484.02	Meetings (Meetings - Utilities, CT and PDT) (4/15 to 7/31/14)	\$11,500	\$15,856
	SUBTOTAL DESIGN (THIS REQUEST PSA#6)	\$56,481	\$268,919
5.01	Resident Engineers File		\$8,514
5.02	Bid Support		\$30,000
	SUBTOTAL BID SUPPORT SERVICES (THIS REQUEST PSA#6)		\$38,514
	Additional Reimbursables		\$6,000
	GRAND TOTAL (THIS REQUEST PSA#6)		\$369,914



EXHIBIT "B"
ESTIMATED HOURLY LOE PROPOSAL
CITY OF COMMERCE
WASHINGTON BOULEVARD RECONSTRUCTION
PROFESSIONAL SERVICES AGREEMENT (PSA)
AMENDMENT #6

6/10/14
 JN 10-107908

REVISED 6/10/14

TASK NO.	DESCRIPTION	NO. OF		SUB-		ESTIMATED		HOURS/ SHEET
		SHEETS	CONSULTANTS	HOURS	FEE	HOURS	FEE	
ESTIMATED AVERAGE HOURLY RATE								SHEET
1	SURVEY SUPPORT, ROW MAPPING AND LEGALS							
1.01	AS NEEDED PRE-CONSTRUCTION FIELD SURVEY & MARKING	N/A						
	0.01 Private Property Survey & Markings	N/A				45	\$10,070	N/A
	0.02 Cal Water Meter Locations	N/A				33	\$7,100	N/A
2	ENVIRONMENTAL & GEOTECHNICAL INVESTIGATIONS							
	0.01 Additional Alternative Pavement Design/ Life Cycle Cost Analysis (Cost Reduction Analysis-Diaz-Yourman)	N/A			\$5,600	8	\$7,120	N/A
3	PLANS, SPECIFICATIONS AND ESTIMATES	N/A						
3.01	ROADWAY, UTILITY DISPOSITION PLAN REVISIONS & ANALYSIS							
	0.01 Utility Disposition Plans & Exhibits Revisions	N/A						
	Cal Water Avoidance Analysis & Exhibits	N/A			\$3,200	9	\$4,732	
	Utility Disposition Plan Revisions (1"-40' Double Loaded)	22	50		\$8,275	60	\$10,166	3
	0.02 Cost Reduction Alternative Analysis & Exhibit (Strip Drawing)	1				48	\$7,280	48
	0.03 Cost Reduction Roadway Plan Revisions							
	Typical Sections & Construction Notes	4				68	\$9,200	17
	Intersection Details (Replacement Sections/ Corners)	4				67	\$9,428	17
	Revised Sections & Construction Notes (I-710 to Project Limits)	11				186	\$25,488	17
	Revised Layout Plans & Profiles (I-5 to I-710)	18				420	\$66,676	23
	0.04 Revised Medians (Bank of the West & Business Access Removals)							
	Roadway/ Utility Disposition & Quantities	1	6		\$900	31	\$4,376	31
	Landscape & Irrigation	2				14	\$1,996	7
	Traffic Striping	1				16	\$2,292	16
	0.05 ROE & Access Requirements Exhibit (Strip Drawing) & Matrix	1				38	\$5,768	38
3.02	LANDSCAPE PLAN REVISIONS							
	0.01 Sidewalk Scoring and Decorative Paver Banding (Plans & Details)	2				31	\$4,364	16
	0.02 Additional Landscape Council Coordination & Concepts/ Visual Simulations	N/A			\$1,000	20	\$4,328	
3.03	STORMWATER PLAN REVISIONS							
	0.01 NPDES & LID/ Green Streets - SUSMP	N/A				80	\$12,152	
	0.02 LID Improvement Plans & Coordination	5				180	\$26,920	36
3.04	TRAFFIC ELECTRICAL ANALYSIS & PLANS							
	0.01 Crosswalk Removal Study							
	Traffic Volumes	N/A			\$5,400	6	\$6,432	
	Traffic Analysis and Report	N/A				88	\$10,822	
3.05	BNSF RAIL CROSSING							
	BNSF Spur Crossing Review Plans & Details (Eliminate Crossing)	1				19	\$2,424	19
3.06	Amendment	51						
	0.01 Roadway & Utilities	29				38	\$5,928	1
	0.02 Stormwater	N/A				11	\$1,828	
	0.03 Landscape & Irrigation	N/A				13	\$2,072	
	0.04 Traffic /Electrical							
	Street Lighting & Banner Poles	N/A				22	\$3,211	N/A
	Uplighting	N/A				6	\$843	N/A
3.07	SPECIFICATIONS & BID DOCUMENTS							
	0.01 CT Specification Revisions to SSP's	N/A				31	\$5,109	N/A
	0.02 Additional Specification Items (PSA#6 & This Amendment)							
	Roadway & Utilities	N/A				50	\$8,120	
	Stormwater	N/A				30	\$4,776	
	Traffic /Electrical							
	Street Lighting & Banner Poles	N/A				33	\$4,783	N/A
	Uplighting	N/A				6	\$843	N/A
4	MEETINGS, MANAGEMENT & ADMINISTRATION							
4.01	MANAGEMENT AND ADMINISTRATION & PROGRESS REPORTS (5/20/14- 7/31/14)							
	0.01 Management & Administration	N/A				140	\$26,800	N/A
	0.02 Subconsultant Oversight	N/A					\$2,638	N/A
4.02	MEETINGS (4/15/14- 7/31/14)							
	0.01 Monthly PDT (14 MEETINGS-2 PERSONS AVG.)	N/A				104	\$19,996	N/A
	0.02 Focus & Milestone Review Meetings (Council, Utility & CT (5 Meetings))	N/A	12	\$2,000		40	\$7,360	N/A
5	BID SUPPORT SERVICES							
5.01	RESIDENT ENGINEERS FILE							
5.02	BID SUPPORT	N/A				58	\$8,514	N/A
	PRE-BID MEETING ATTENDANCE	N/A				202	\$30,000	
	RESPONSES TO RFIS	N/A				9	\$1,063	N/A
	BID ADDENDA PREPARATION	N/A				64	\$8,048	N/A
	RESPOND TO CITY REQUESTS	N/A				68	\$10,220	N/A
		N/A				71	\$10,366	N/A



CITY OF COMMERCE AGENDA REPORT

Item No. **23**

TO: Honorable City Council

FROM: City Administrator

SUBJECT: REVIEW OF POTENTIAL ACTION BY CITY COUNCIL IN RESPONSE TO REFUSAL BY COUNCILMEMBER DENISE ROBLES TO REIMBURSE THE CITY FOR PERSONAL USE OF A CITY VEHICLE

MEETING DATE: July 1, 2014

RECOMMENDATION:

Pursuant to City Council direction provided on June 17, 2014, the City Council will receive a report and consider potential action in response to Councilmember Robles' refusal to reimburse the City for her personal use of a City vehicle.

BACKGROUND:

On December 3, 2013, the City Council discussed and considered several issues regarding the City Council Vehicle Use Policy (the "Policy"). The City Council discussed interpretation issues that had arisen in connection with the Policy. Several Council members questioned Councilmember Robles' use of her City-assigned vehicle to go to and from school. Councilmember Leon reported that Ms. Robles had advised that she knew that her use of the City-assigned vehicle for this use was wrong, but that the price of gas was killing her so she had no choice. Councilmember Robles denied making such statements and argued that because she was going to school to take political science classes, her use of the City car was related to City business and was therefore proper under the Policy.

After discussing the matter, the Council approved a motion to require Councilmember Robles to identify the cost of the gas that she had used to get to and from school, and that she reimburse the City for such costs. Ms. Robles advised that she was not sure of the cost. The Council requested that she review her records and report back within a few months.

On May 20, 2014, the City Council determined that Councilmember Robles' use of the City vehicle for transportation to and from school, was for a personal use and that such use violated the City's Vehicle Policy. The City Council again requested that Councilmember Robles identify the amount of time that she used the City's vehicle for this purpose and that she calculate the mileage. The City Council approved a motion to require Councilmember Robles to reimburse the City for the costs incurred by the City as a result of her use of the City vehicle for the personal use. Councilmember Robles stated that she did not agree with the Council's decision, but that she would make the reimbursement payment.

On June 17, 2014, the City Council requested that Councilmember Robles provide the previously requested information about the personal use of the City vehicle and the proposed reimbursement amount. Councilmember Robles stated that she would not reimburse the City for her use of the City vehicle. The City Council then requested that the City Attorney report back on potential options for the City Council to consider in response to Councilmember Robles' position.

ANALYSIS:

The "City Council Amended Vehicle Use Policy" allows council members to use city owned vehicles "for business use only." The Policy states that the term "City business":

...shall include attendance at local and regional meetings, appointments or events involving business affecting, or of interest to, the City; meetings, appointments or events of various boards and/or agencies of which the City is a member; City community events, and meetings, appointments or events to which members have been invited to participate in or attend in their official capacity as Councilmembers.

Councilmember Robles' argument that her use of the City vehicle to travel to and from school is proper, appears to be based on the portion of the "City business" definition that refers to "appointments or events involving business affecting, or of interest to, the City". Going to political science classes (or other general education classes), does not constitute an "appointment" or "event" that affects or is of interest to the City. In effect, the Councilmember is arguing that her efforts to improve herself "affects" or is of "interest" to the City. Such logic could be used to justify City vehicle use to go to the gym (improved fitness); her doctor (improved health); or some other personal use. Such an interpretation is incorrect.

A member of the City Council who violates the Vehicle Policy would, technically, be receiving a benefit or compensation that she is not entitled to. Any money paid by a governmental agency without authority of law may be recovered from such officer. County of San Diego v. Milotz (1956) 46 Cal. 2d. 761, 767. The same rules apply to expense reimbursements. Madden v. Riley (1942) 53 Cal. App. 2d 814, 822; 65 Ops. Cal. Atty.Gen 517, 521 (1982). Thus, the City may request that the value of the unauthorized use be reimbursed to the City; this request has already been made.

The amount involved is not certain at this time. The actual cost to the City could be less than \$50. It could be more than that, but the precise usage and amount is not known. Nonetheless, the amount involved is relatively small.

The City could also seek to recover the amount owed by filing a civil action against the Councilmember. The amount involved would not warrant the filing of an action in Superior Court, which would cost additional attorney fees to pursue. The matter could be filed as a small claims action, which would allow the City to seek recovery without being represented by legal counsel. Nevertheless, the amount involved is still relatively low and would weigh against such action.

Some City Council members have previously asked questions about the censure process. A censure is an expression of disapproval or criticism and amounts to a form of administrative punishment. It would involve a determination by the City Council of wrongdoing and documentation of such wrongdoing by the City Councilmember. The City Attorney and staff are not making a recommendation regarding the censure process. The City Council could not take such action at this meeting.

ALTERNATIVES:

1. Initiate a civil action to recover the amount due;
2. Proceed with a censure at a future City Council meeting;
3. Do nothing; or
4. Provide staff with alternative direction.

FISCAL IMPACT:

The fiscal impact associated with this agenda item report is not known at this time. It will depend on the course of action chosen by the City Council.

RELATIONSHIP TO STRATEGIC GOALS:

This item is not related to a specific 2012 Strategic goal.

Reviewed by,

Jorge Rifa
City Administrator

Approved as to form,

Eduardo Olivo
City Attorney

ANALYSIS:

The Burhenn & Gest Law Firm will charge \$295 per hour for partners, \$250 per hour for associates and \$95 per hour for legal assistants. Six cities, including the City of Commerce, are expected to participate in the filing of the test claim and will share the legal costs for the matter. The cost of filing and pursuing the test claim through the administrative test claim process is estimated to be \$75,000 collectively for all of the participating cities. After filing the claim, however, the matter may be stayed, pending the completion of the Supreme Court proceedings. Thus, it is estimated that, for the six cities involved, the initial cost will be collectively \$30,000 to file the test claim.

ALTERNATIVES:

1. Approve staff recommendation
2. Reject staff recommendation
3. Provide staff with further direction

FISCAL IMPACT:

The cost of filing and pursuing the test claim is estimated to be \$75,000 collectively for all of the participating cities. If six cities participate in the matter, the City of Commerce's share of the cost will be \$12,500. Staff will bring this back at mid-year as a cleanup item with a proper appropriation request.

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: "*Develop a tangible environmental mitigation plan*" as identified in the 2012 Strategic Plan.

Respectfully submitted by: Jorge Rifa, City Administrator

Approved by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Eddie Olivo, City Attorney

Reviewed by: Vilko Domic, Finance Director

Approved as to form by: Eduardo Olivo, City Attorney