City Council and Related Agencies Agenda

Regular Meeting

Bell City Council

Wednesday, June 6, 2012

5:00 P.M. Closed Session
6:00 P.M. New City Manager Reception
7:00 P.M. Regular Meeting

Bell Community Center
6250 Pine Avenue

Ali Saleh
Mayor

Violeta Alvarez
Vice Mayor

Danny Harber
Council Member

Ana Maria Quintana
Council Member

Nestor E. Valencia
Council Member

Welcome to the City Council Meeting

The Bell City Council and staff welcome you. This is your City Government. Individual participation is a basic part of American Democracy and all Bell residents are encouraged to attend meetings of the City Council. Regular City Council meetings are held the first and third Wednesday of the month at 7:00 p.m., Bell Council Chambers, 6330 Pine Avenue. For more information, you may call City Hall during regular business hours 8:00 a.m. to 4:00 p.m., Monday through Friday at (323) 588-6211 Extension 217.

City Council Organization

There are five City Council members, one of whom serves as Mayor and is the presiding officer of the City Council. These are your elected representatives who act as a Board of Directors for the City of Bell. City Council members are like you, concerned residents of the community who provide guidance in the operation of your City.

Addressing the City Council

If you wish to speak to the City Council on any item which is listed or not listed on the City Council Agenda, please complete a *Request to Speak Card* available in the back of the City Council Chambers. Please submit the completed card to the City Clerk prior to the meeting. The Mayor will call you to the microphone at the appropriate time if you have filled out a *Request to Speak Card*. At that time, please approach the podium, clearly state your name and address, and proceed to make your comments.

Compliance with Americans with Disabilities Act

The City of Bell, in complying with the Americans with Disabilities Act (ADA), request individuals who require special accommodation(s) to access, attend, and or participate in a City meeting due to disability. Please contact the City Clerk's Office, (323) 588-6211, Ext. 217, at least one business day prior to the scheduled meeting to insure that we may assist you.

Statement Regarding Compensation for Members of the Bell City Council

Compensation for the members of the Bell City Council is $673 a month. In accordance with Government Code Section 54952.3, Councilmembers will not receive any additional compensation or stipend for the convening of the following regular meetings: Successor Agency to the Bell Community Redevelopment Agency, the Bell Community Housing Authority, the Bell Public Finance Authority, the Bell Surplus Property Authority, the Bell Solid Waste Authority, and the Planning Commission.

CITY OF BELL, CALIFORNIA

MEETING OF THE

BELL CITY COUNCIL/BELL COMMUNITY HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE BELL COMMUNITY REDEVELOPMENT AGENCY/BELL PUBLIC FINANCE AUTHORITY/BELL SURPLUS PROPERTY AUTHORITY/ BELL SOLID WASTE AUTHORITY /PLANNING COMMISSION

June 6, 2012

5:00 P.M. Closed Session
6:00 P.M. New City Manager/Reception
7:00 P.M. Regular Meeting

Bell Community Center
6250 Pine Avenue

Call to Order

Roll Call of the City Council in their capacities as Councilmembers/ Members of all Related Agencies: Harber, Quintana, Valencia, Alvarez, and Saleh

Communications from the Public on Closed Session Items

This is the time for members of the public to address the City Council and related Authorities and Agencies only on items that are listed under Closed Session.

Closed Session

1. The City Council and the related Authorities and Agencies will recess to a closed session to confer with legal counsel regarding the following matters:

   a) CONFERENCE WITH LABOR NEGOTIATOR pursuant to Government Code Section 54956.6. (Bell Police Officers Association and Bell City Employees Association)

   b) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation (Government Code Section 54956.9(b)) (One potential case)

Reconvene Regular Meeting

Pledge of Allegiance

City Attorney Report

The City Attorney will report out on any action(s) to be taken by the City Council/Agencies on Closed Session matters.

Presentation of certificates to Bell High Students who received awards at the Academic Decathlon

Communications from the Public

This is the time members of the public may address the City Council, Bell Community Housing Authority the Successor Agency to the Bell Community Redevelopment Agency and the Planning Commission. The public may speak on items that are on the agenda and on non-agenda items that are under the subject matter jurisdiction of City Council and/or its related authorities and agencies.

Persons wishing to address the Council/Agencies on the Consent and/or Business Calendars should identify the items they wish to speak on at this time and provide a completed "blue" speaker card to the City Clerk. Request to Speak forms must be submitted prior to the beginning of the public comment period on Agenda Items. Speaker cards shall not be accepted by the City Clerk after the first speaker begins his/her comments.

Speakers will be called to speak by the Mayor/Chair at the appropriate time. Comments are limited to three minutes on all items. When addressing the Council/Agencies, please address the Council through the Mayor/Agency Chair.

State law prohibits the Council and/or its related authorities and agencies from taking action on a matter not on this Agenda. Any matter may be referred to the Interim Chief Administrative Officer for follow up.

City Manager Appointment

2. a) Approval of Contract with City Manager Doug Willmore

   b) Swearing in of City Manager Doug Willmore

Consent Calendar

The following Consent Calendar items are expected to be routine and non-controversial. They are acted upon by the City Council and related authorities at one time without discussion.

Recommendation: Approve items No. 3 through No. 5

3. Approval of Minutes of the City Council Special Meeting of May 21, 2012, and the Regular Meeting of May 16, 2012 **(Council/*Successor Agency to the Bell Community Redevelopment Agency/Bell Community Housing Authority/Planning Commission***

4. Approval of General Warrants and Community Housing Authority and Successor Agency to the Community Redevelopment Agency Warrants dated June 6, 2012. ***(Council/Successor Agency to the Bell Community Redevelopment Agency/Bell Community Housing Authority)***

5. Adoption of Ordinance pertaining to the Establishment of Hours of Operation for all City Parks Facilities.***(Council)***

   Recommendation: Adopt Ordinance No. 1187 (Second Reading).
   (Introduction for reading of title presented at the Regular Meeting of May 16, 2012)

   ORDINANCE NO. 1187. An Ordinance of the City Council of City of Bell, California, Establishing Hours of Operation at All City Parks Facilities.

6. Continuation of Existing Bus Shelter Cleaning Contract

   Recommendation: Approve Amendment No. 5 to the City of Bell and Graffiti Protective Coatings, Inc. Agreement that authorizes the provision of bus shelter cleaning services for the period beginning July 1, 2010 through such time as the City completes the bid process for continuation of services and the chosen provider begins service.

Business Calendar

7. Community Development Block Grant Administration Services Agreement Renewal

   Recommendation: Approve an Agreement with SJC3 Consulting for Community Development Block Grant Program Administration Services for FY 2012-13 with an option for a one-year extension in an amount not to exceed $46,080 annually.

8. General Obligation Bond Workout Plan Implementation

   Recommendation: Adopt Resolution No. 2012-46 implementing the General Obligation bond work-out plan approved by the City Council on December 14, 2011

   Resolution No. 2012-46 – A Resolution of the City council of the City of Bell, California to Approve the Form of an Offer to Purchase and Related Documents and an Escrow Agreement and Providing for Matters Related Thereto

9. Consideration of waiving the thirty (30) day Open Period for filing a Challenging Petition and calling for an immediate representation election among employees in the new Unit (Non-Management, Non-Sworn) proposed to be represented by the Bell City Employees Association

Recommendation to be made following Closed Session on Labor Negotiations

10. Consideration of Building and Safety Services Request for Proposal

Recommendation: Approve the Request for Proposal (RFP) for Building and Safety Services; and, Authorize staff to issue and receive proposals for the Building and Safety Services

Public Hearing

11. 2012-13 Fiscal Year Proposed Budget ***(Council, Related Agencies)***

Mayor and City Council Communications

Pursuant to Assembly Bill 1234, this is the time and place to provide a brief report on Meetings, Seminars and Conferences attended by the Mayor and City Councilmembers

Next Regular Meeting, Wednesday, June 20, 2012

I, Patricia Healy, CMC, Interim City Clerk of the City of Bell, certify that a true, accurate copy of the foregoing agenda was posted on June 1, 2012, at least seventy-two hours prior to the meeting as required by law.

Patricia Healy, CMC
Interim City Clerk

MEETING OF THE

BELL CITY COUNCIL/BELL COMMUNITY HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE BELL COMMUNITY REDEVELOPMENT AGENCY/BELL PUBLIC FINANCE AUTHORITY/BELL SURPLUS PROPERTY AUTHORITY/ BELL SOLID WASTE AUTHORITY /PLANNING COMMISSION

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City of Bell
Agenda Report

DATE: June 6, 2012

TO: Mayor and Members of the City Council

FROM: Ali Saleh, Mayor

SUBJECT: Approval of Employment Agreement for Chief Administrative Officer

Recommendation

The City Council approve the employment agreement with Douglas Willmore to serve as the Chief Administrative Officer (City Manager) for the City of Bell.

Background

The City Council retained the firm of Peckham & McKenney to conduct an extensive search for a permanent City Manager. The recruitment resulted in 72 applicants. The field was narrowed down through a process of a review of qualifications and interviews by the recruiter. The City Council identified the top candidates to continue in the process. After initial Council interviews, four finalists were invited back for a second Council interview and to meet with a twelve member community panel. Doug Willmore emerged from this process as the most qualified and preferred candidate for the City of Bell. A copy of Mr. Willmore's resume is attached.

The agreement provides for a three year term with the initial base salary of $175,000 annually and benefits consistent with current City policies.

CITY OF BELL
EMPLOYMENT AGREEMENT
For the Position of
CHIEF ADMINISRATIVE OFFICER
and sometimes referred to as CITY MANAGER

This EMPLOYMENT AGREEMENT ("Agreement") is entered into this ____ day of May, 2012, by and between the CITY OF BELL ("City"), a California charter city and municipal corporation, and DOUGLAS WILLMORE ("Employee"), an individual.

RECITALS

WHEREAS, it is the desire of the City Council of the City of Bell (hereinafter the "City Council") to employ an individual to serve in the position of Chief Administrative Officer ("CAO") for the City of Bell, California, which position is prescribed by state law and the City's Charter and Municipal Code; and

WHEREAS, it is the desire of the City Council to (i) secure and retain the services of Employee after having conducted a competitive selection process, (ii) have Employee perform all of the regular functions of the CAO pursuant to the City's Charter and the codes and regulations of City, (iii) to provide inducement to Employee to maintain such employment, and (iv) to establish the terms and conditions of Employee's services to the City through this Agreement; and

WHEREAS, Employee has the skills and expertise to fulfill such position and desires to accept employment from the City.

WHEREAS, it is the intent of City to employ Employee on an interim basis while his performance is being evaluated.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, including the Recitals which are made a part hereof, City and Employee hereby agree as follows:

AGREEMENT

1.0 EMPLOYMENT & DUTIES

1.1 Duties. City hereby employs Employee as Chief Administrative Officer for the City to perform the functions and duties of that position, as described in the City Charter and Municipal Code Chapter 2.08, and to perform such other duties and functions as the City Council shall from time to time assign. Employee further agrees to perform all such functions and duties to the best of his ability and in an efficient, competent, and ethical manner.

1.2 Laws Affecting Title. Pursuant to the City's Charter, the chief executive officer of City is referred to as the Chief Administrative Officer ("CAO"). The CAO may also be referred to as a "City Manager" hereunder. The employee shall have the same powers, rights and responsibilities as a Chief Executive Officer, City Administrator and/or City Manager as those

terms are used in local, state or federal laws, except as otherwise provided by the City's Charter or any ordinance or regulation of City not preempted by State or federal law.

1.3 Duties & Authority.

(a) *Chief Executive Officer.* The Employee shall be the chief executive officer of the City and be responsible to the City Council for the proper administration of all affairs of the City.

(b) *Duties at Law.* The Employee shall perform all of the duties of the CAO as set forth in the City's Charter and Municipal Code, the California Government Code, and City policies and procedures approved by the City Council, as may be provided from time to time.

(c) *City-Related Entities.* The City Council may also designate the Employee as the chief executive of other City-related legal entities. Such other legal entities could include housing authority, financing authorities, and joint powers authorities.

(d) *Administer Policies of Council.* The Employee shall administer and enforce policies established by the City Council and promulgate rules and regulations as necessary to implement City Council policies.

(e) *Powers.* To accomplish this, the Employee shall have the power and shall be required to:

(1) Attend all meetings of the City Council, unless excused by the Mayor, and take part in the discussion of all matters before the City Council. The Employee shall receive notice of all regular and special meetings of the City Council.

(2) Appoint, and may promote, demote, suspend or remove, all department heads, officers and employees of the City except elective officers and those department heads, officers and employees the power of whose appointment is vested by this Charter in the City Council. The Chief Administrative Officer may authorize the head of any department or office to appoint or remove subordinates in such department or office. In case of the appointment or removal of any department head, the Chief Administrative Officer shall first review such appointment or removal with the City Council and obtain its approval.

(3) Direct the work of all appointive City officers and departments that are the concern and responsibility of the City Council, except those that are directly appointed by or report directly to the City Council. The Employee may undertake any study or investigation the Employee believes is necessary or desirable and shall make any study or investigation the City Council directs. The Employee shall endeavor to implement changes that the Employee believes will result in greater efficiency, economy, or improved public service in the administration of City affairs.

(4) Prepare the budget, submit it to the City Council, and be responsible for its administration after its adoption. Prepare and submit to the City Council as of the end of each fiscal year, a complete report on the finances and administrative activities to the City for the preceding fiscal year. Keep the City Council advised of the financial condition and future needs of the City and make such recommendations as may seem desirable.

(5) Establish a centralized purchasing system for all City offices, departments and agencies. Prepare rules and regulations governing the contracting for purchasing, inspection, storing, inventory, distribution and disposal of all supplies, material and equipment required by ordinance, and administer and enforce the same after adoption.

(6) Recommend to the City Council from time to time, adoption of such measures as the Employee may deem necessary or expedient for the health, safety, or welfare of the community or for the improvement of administrative services.

(7) Conduct research in administrative practices in order to bring about greater efficiency and economy in City government, and develop and recommend to the City Council long-range plans to improve City operations and prepare for future City growth and development.

(8) Exercise control of all administrative offices and departments of the City and of all appointive officers and employees except those directly appointed by the City Council and prescribe such general rules and regulations as deemed necessary or proper for the general conduct of the administrative offices and departments of the City under jurisdiction of the Chief Administrative Officer.

(9) Exercise control of City government in emergencies as authorized by the Municipal Code and California law.

(10) See that the laws of the State pertaining to the City, the provisions of this Charter and the ordinances, franchises and rights of the City are enforced.

(f) *Other Duties.* The City Council, in consultation with Employee, shall establish any such other terms and conditions of employment as it may determine from time to time, provided such terms and conditions are reduced to writing and signed by Employee and the City Council.

1.4 Work Schedule. Employee is an exempt employee but is expected to engage in the hours of work that are necessary to fulfill the obligations of the position. The Employee does not have set hours at work and Employee acknowledges that proper performance of the duties of

the position will often require the performance of necessary services outside of normal business hours. Employee shall spend sufficient hours on site to perform the duties of the position; however Employee has discretion over their work schedule and location. However, the City intends that reasonable time off be permitted to Employee, so long as the time off does not interfere with normal business. Employee's compensation (whether salary or benefits or other allowances) is not based on hours worked and Employee shall not be entitled to any compensation for overtime.

1.5 Other Activities.

(a) *Limited Outside Activity.* Employee shall focus his or her professional time, ability, and attention to City business during the term of this Agreement. Employee shall not spend significant time in teaching, counseling, or other non-employer connected business activities without prior approval of the City Council.

(b) *No Interference with City Duties.* Employee shall not engage, without the express prior written consent of the City Council, in any other business duties or pursuits whatsoever or, directly or indirectly, render any services of a business, commercial, or professional nature to any other person or organization, whether for compensation or otherwise, that is or may be competitive with the City, that might cause a conflict-of-interest with the City, or that otherwise might interfere with the business or operation of the City or the satisfactory performance of Employee's duties as CAO.

1.6 Employment Status. Employee shall serve at the will and pleasure of the City Council under this Agreement and understands he is an "at-will" employee serving at the pleasure of City Council and subject to termination by the City at any time, as set forth in Section 4.3 below.

1.7 City Documents. All data, studies, reports, and other documents prepared by Employee while performing his duties during the term of this Agreement shall be furnished to and become the property of the City, without restriction or limitation on their use. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Employee in connection with the performance of this Agreement shall be held confidential by Employee to the extent permitted by applicable law. Such materials shall not, without the prior written consent of the City Council, be used by Employee for any purposes other than the performance of his duties. Nor shall such materials be disclosed to any person or entity not connected with the performance of services under this Agreement, except as required by law.

1.8 FLSA Exempt Status. Employee agrees that his position is that of an exempt employee for the purposes of the Fair Labor Standards Act.

2.0 ROLE OF CITY COUNCIL

2.1 Policies. The City Council sets policy for the governance and administration of the City, and it implements its policies through the CAO. The City Council will work with the Employee and staff on setting goals and priorities for the City government, and to work on issues that may inhibit the achievement of City goals. Employee shall maintain active communications

with all Councilmembers making sure they are informed and shall work equally with all Councilmembers.

2.2 Power to Appoint/Remove. The power of the Employee to appoint or remove officers or employees of City under the supervision and control of the Employee is subject to the provisions of Section 604(a) of the Charter providing that the appointment or removal of any Department Head must first be reviewed with and approved by the City Council, as restated in Section 1.3(e)(2).

3.0 COMPENSATION AND REIMBURSEMENT

3.1 Compensation. For the services rendered pursuant to this Agreement, Employee shall be compensated One Hundred Seventy Five Thousand Dollars ($175,000.00) annually ("Salary"), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of City are paid. Such Salary shall be adjusted for payroll taxes, workers' compensation, and other payroll-related liability costs.

3.2 Cost of Living Increase. City agrees to provide a cost of living adjustment in Employee's base salary equal to and at the same time as other Department Heads of the City. In the event other Department Heads do not receive a uniform increase, the increase provided shall be equal to the average amount of the increase received by Department Heads (on a percentage basis). This increase will not include merit increases received by Department Heads, but only cost of living increases. Any increase may be deferred pursuant to Section 3.3

3.3 Annual Salary Review. The City Council and Employee agree to conduct an annual salary review concurrently with the annual performance evaluation set forth in Section 6.2. Following the annual performance review, the City may increase the Employee's salary. Any action to approve an increase must be approved by a majority vote of the Council at a public meeting. The City Council and/or the Employee reserve the right to defer or refuse any or all part of any base salary adjustment if either party determines that the fiscal state of the City warrants such action.

3.4 Automobile Allowance. Employee's duties require the extensive use of an automobile in the normal course of business. At the option of City, (i) City shall purchase and provide Employee with the exclusive and unrestricted use of a suitable automobile during the time of Employee's employment with City responsible for the full cost of maintenance, operation, insurance, repair, and appropriate replacement, and with providing comprehensive general liability and property damage insurance for said vehicle, or (ii) Employee will receive an automobile allowance of Three Hundred Fifty Dollars ($350.00) monthly to be paid when the other Department Heads receive their automobile allowances, but in such case, Employee shall be responsible for the full cost of all maintenance, operation, insurance and repair costs. [City has selected allowance option]

3.5 Cell Phone Allowance. Employee shall maintain a mobile phone for immediate communications with Councilmembers and staff and shall be given a monthly allowance of $100.00 for reimbursement for the cost of the phone and monthly charges. City shall not be liable for any expenses beyond the allowance.

3.6 Bonding. City shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

3.7 No Singular Reduction of Benefits. City shall not during the term of this Agreement reduce the base salary or other financial benefits of Employee, except to the degree that such reduction is applied across-the-board to all Department Heads, or as agreed to by the Employee, and/or except to the extent that they are inconsistent with the provisions hereof, in which case the provisions hereof shall govern.

4.0 TERM

4.1 Commencement & Effective Date. Employee shall commence his services hereunder on June 1, 2012.

4.2 Term.

(a) The initial interim phase shall be for a term of up to six (6) months. The Council may extend the term thereafter in accordance with subsection (b).

(b) The succeeding term of this Agreement will be for three (3) years following the effective date specified at Section 4.1 and, thereafter, this Agreement may be extended for such additional term as the City Council and Employee deem appropriate, as evidenced by a writing signed by both parties. City agrees that in the last year of the Agreement, the annual evaluation will be performed at least six (6) months prior to the expiration of the term, and the Agreement may be extended for one or more years at that time.

4.3 Termination by City Council or Employee. The nature of Employee's employment is that he is an at-will employee with no property right in his employment, and is subject to termination without cause, and without notice or hearing. Accordingly, the City Council may terminate this Agreement at any time with or without cause and without prior notice or hearing. Employee may terminate this Agreement at any time after three (3) years following commencement of services, with or without cause, upon at least thirty (30) days' written notice before the effective date of termination of the Agreement, unless a shorter period is acceptable to the City.

4.4 Definition of Cause. For the purposes of this Agreement, "cause" for termination shall include, but not be limited to, the following: theft or attempted theft; significant financial mismanagement; abuse of office or position (Government Code Section 53243.4); dishonesty; willful or persistent material breach of duties; unauthorized or excessive absences; abuse of non-prescription drugs or alcohol materially affecting duties; engaging in unlawful discrimination or harassment of employees or any third parties being charged or convicted of a felony, engaging in conduct tending to bring embarrassment or disrepute to the City; or similarly serious matters.

4.5 Waiver of Certain Termination Rights. Employee expressly waives any rights provided under the City's Personnel System or Policies, and any rights provided to the CAO under the Bell Charter or Municipal Code or under State or Federal law to any form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination, except those rights Employee may have under the California or Federal Constitutions to a name-

clearing hearing and the right to receive severance under Article 5.0. Pursuant to this Section 4.5, the provisions of Articles 4 and 5 shall supersede Bell Municipal Code Section 2.08.050 and Charter Section 607.

4.6 Employee Acknowledgement At-Will. Employee has sued a prior municipal employer alleging that the employer "by its words and conduct made it reasonable for plaintiff to believe that he would only be discharged for good cause." The basis of this allegation included the City's personnel polices and practices, his positive evaluations, his length of service, the receipt of raises, and assurances by "agents and managerial level employees." Notwithstanding that Employee has used such matters to argue his employment was not at-will, Employee hereby expressly acknowledges and accepts that this Agreement is at-will, and subject only to the terms hereof; that Employee accepts employment subject to such terms; and Employee will be estopped from arguing that any conduct by employer during the term of the Agreement will convert it to a "for-cause" contract, other than through an express amendment.

4.7 Administrative Leave. Employer may place Employee on Administrative Leave with full pay and benefits at any time during the term of this Agreement. However, if the purpose of placing Employee on Administrative Leave With Pay is to conduct an investigation into potential wrongdoing, and after that investigation, Employee is convicted of a crime involving abuse of his/her office or position, then pursuant to Government Code Section 53243, Employee shall be required to fully reimburse City for any salary or benefits received while on Administrative Leave With Pay. "Abuse of office or position" shall be as defined in Government Code Section 53243.4, as may be amended. Reimbursement shall occur within thirty (30) days of Employer's written demand therefore or such longer period as Employer may approve.

5.0 SEVERANCE

5.1 Severance. Employee shall have the severance rights provided herein. The severance rights provided in this Article 5.0 shall constitute the sole and only entitlement of Employee in the event of termination, and Employee expressly waives any and all other rights except as provided herein.

(a) *Termination With Cause.* If the City Council terminates the Employee with cause, as defined in Section 4.4, the City shall not be required to make the severance payment provided herein.

(b) *Termination Without Cause.* If pursuant to Section 4.3 the City Council terminates the Employee without cause, after the interim phase, before the expiration of the aforesaid term of employment, the City shall give Employee a lump sum cash payment equal to (i) three months base salary if termination occurs during the first year of employment, (ii) six months base salary if termination occurs after the first year of employment (without benefits) except as provided in Subsection (d) below. Such severance payment shall be for salary only pursuant to Section 5.2.

(c) *Termination Without Cause in the Ninety Days Following an Election.* In accordance with Charter Section 607, no termination shall be permitted without cause during the ninety (90) days before or after a municipal election.

(d) *Application of Government Code Section 53260.* Government Code Section provides that all contracts of employment with a city must include a provision limiting the maximum cash settlement for the termination of the contract to the monthly salary (excluding benefits) multiplied by the number of months left on the unexpired term, but not more than 18 months if the unexpired term exceeds 18 months. The severance payments provided for in this Article 5.0 are limited by this provision [(e.g. if termination occurred with two (2) months left in the term, severance would be equal to the monthly base salary multiplied by two (2) rather than the six (6) months provided in Section 5.1(b))].

(e) *No Severance Pay if Termination Initiated by Employee.* Employee expressly agrees that he shall not be entitled to any severance payment as the result of the termination of this Agreement if such termination is initiated by Employee.

5.2 Benefits at Severance. Employee shall also be entitled to the final pay rate for all vacation but no other leave time accrued as of his final date of termination. There is no accrual of benefits during the period of the severance payment.

5.3 Payment. Half of the severance payment shall be paid within ten (10) days of termination. The remainder shall be paid monthly following ninety (90) days following the date of separation.

5.4 Repayment of Severance. Pursuant to Government Code Section 53243.4, if Employee is later convicted of a crime involving abuse of office or position, then any severance paid under this Article 5 shall be returned by Employee to Employer within thirty (30) days of Employer's written demand therefore or such longer period as Employer may agree to.

6.0 PERFORMANCE EVALUATIONS.

6.1 Purpose. The performance review and evaluation process set forth herein is intended to provide review and feedback to Employee so as to facilitate a more effective management of the City. Nothing herein shall be deemed to alter or change the employment status of Employee (as set forth in Section 1.6 above), nor shall this Section 6.0 be construed as requiring "cause" to terminate this Agreement, or the services of Employee hereunder.

6.2 Annual Evaluation. The City Council shall conduct a review and evaluate the performance of Employee on an annual basis. In the first year or thereafter if desired by the parties, additional evaluations may be performed. The review and evaluation shall be in accordance with specific criteria developed jointly by the City Council and Employee. The evaluation shall be predicated on such criteria, as well as any other deemed appropriate by the City Council, provided it is communicated in writing to Employee. Thereafter, the City Council shall provide Employee with a written summary statement of the performance evaluation and shall provide an opportunity for Employee to discuss the contents thereof with him for the purpose of improving the overall effectiveness of Employee in his position, including an opportunity for Employee to comment on the evaluation should Employee so elect. Such review

and evaluation shall be conducted concurrently with the annual salary review provided for in Section 3.3 above.

6.3 Goals and Objectives. Annually, the City Council and the Employee shall define goals and performance objectives that they determine are necessary for the proper operation of the City and, in the attainment of the City Council's policy objectives, shall further establish a relative priority among those various goals and objectives. The goals and objectives shall be reduced to writing. The goals and objectives shall be generally obtainable within the time limitations as specified and the annual operating and capital budgets and appropriations as provided.

7.0 BENEFITS AND OTHER COMPENSATION.

7.1 Vacation and Sick Leave. Commencing with the effective date of this Agreement, Employee shall accrue on a monthly basis the vacation, sick leave, holiday and other benefits as provided herein. Employee shall be credited upon the effective date of this Agreement with one 160 hours (20 days) vacation time and 80 hours (10 days) sick leave.

(a) Vacation may only be accrued to a maximum of 200 hours (25 days) per year earned bi-weekly. The Employee will be allowed to cash out up to 80 hours (10 days) of vacation annually, but the accrual shall not exceed 320 hours (40 days) maximum. The City Council may approve going above the maximum amount, if it is deemed to be in the best interest of the City of Bell.

(b) Sick leave may only be accrued to a maximum of 96 hours (12 days) per year, earned bi-weekly, to a maximum of 480 hours (60 days). No cash out is permitted of sick leave. The City Council may approve going above the maximum amount, if it is deemed to be in the best interest of the City.

7.2 Health and Life Insurance. City agrees to put into force and to make such premium payments for Employee for insurance policies for life, accident, sickness, dental, vision, short and long-term disability income benefits, major medical and dependents' coverage group insurance covering Employee and his dependents to the same level as the other Management Employees receive. These policies are all currently under negotiation with the City's represented units.

7.3 Medical Insurance. City agrees to provide hospitalization, surgical and comprehensive medical insurance for Employee and his dependents to the same level as other Management Employees receive. The City agrees to pay for such premiums. These policies are all currently under negotiation with the City's represented units.

7.4 Physical Exam. Employee agrees to submit once per calendar year to a complete physical examination by a qualified physician of his choice, the cost of which will be paid by the City. City shall receive a copy of all medical reports related to said examination. Employee shall execute a written authorization to the physician for release of such information to City.

7.5 Other Benefits. City agrees to give the Employee all other benefits that are given to other Department Heads generally.

7.6 Retirement: 457 Plan in lieu of PERS. Employee shall not participate in any retirement plan during the interim phase. If the contract is extended, Employee shall be in the CALPERS system and pay half of the employee share of contribution with City paying half of the Employee share as well as the City share. City is negotiating with represented employees to change the Plan to 2% at 60, and this shall apply to Employee when applicable to other employees.

8.0 OTHER TERMS – CONDITIONS OF EMPLOYMENT

8.1 Civic Club Membership. City recognizes the desirability of representation in and before local civic and other organizations. Employee is therefore authorized to become a member of such civic clubs or organizations for which City shall pay dues and meals for meeting attendance. Employee is responsible for other related expenses such as fines, trips and contributions.

8.2 Dues, Subscriptions and License Fees. City agrees to pay for the professional dues and subscriptions necessary for Employee's continued and full participation in national, state, regional and local associations and organizations necessary and desirable for his continued professional participation, growth and advancement, and for the good of the City. City also agrees to pay for or reimburse Employee for fees necessary to maintain professional licenses in possession of Employee.

8.3 Professional Development. City agrees to budget and pay travel and subsistence expenses of Employee, subject to the City's travel policy, for professional and official travel, meetings and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official and other functions for City including, but not limited to, the annual conferences of the International City Management Association, the League of California Cities City Managers' Department Meeting and other such national, regional, state and local government groups and committees on which Employee serves as a member and which participation benefits City and which are necessary for Employee's continued professional advancement, provided such travel and membership is approved by the City Council.

8.4 City's Employee Reimbursement Policy. Notwithstanding any other provision in this Article 8, all reimbursements shall be subject to and in accordance with California law and the City's adopted Employee Reimbursement Policy as it may be amended from time to time.

9.0 CONFLICTS OF INTEREST.

9.1 Conflicts Prohibited. During the term of this Agreement, Employee shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict in any manner, with the proper discharge of Employee's duties under this Agreement. Employee shall comply with all requirements of law, including but not limited to, Sections 87100 *et seq.*, Section 1090 and Section 1125 of the Government Code, and all other similar statutory and administrative rules. Whenever any potential conflict arises or may appear to arise, the obligation shall be on the Employee to seek legal advice concerning whether such conflict exists and Employee's obligations arising therefrom.

9.2 Personal Interests. The Employee shall not engage in any business or transaction or shall have a financial or other personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties. Personal as distinguished from financial interest includes an interest arising from blood or marriage relationships or close business, personal, or political associations. This section shall not serve to prohibit independent acts or other forms of enterprise during those hours not covered by active City employment, providing such acts do not constitute a conflict of interest as defined herein.

9.3 Broad Application of Conflict Laws. The Employee shall also be subject to the conflict of interest provisions of the California Government Code and any conflict of interest code applicable to the Employee's employment. "Conflict of Interest" as used herein shall be construed broadly including any law relating to ethics or conflicts such as Government Code Section 1090 prohibiting contracts with a financial interest, Government Code Section 1125 prohibiting incompatibility of employment, or any other such law.

9.4 Statements of Economic Interest. The Employee is responsible for submitting to the City Clerk the appropriate Conflict of Interest Statements at the time of appointment, annually thereafter, and at the time of separation from the position.

10.0 INDEMNIFICATION

10.1 General. To the full extent of the law as provided by the California Torts Claims Act (Government Code Section 810 et seq.) and the indemnity provisions of this Agreement, City shall defend, indemnify and hold harmless Employee against any tort, professional liability claim or demand or other legal action arising out of an alleged act or omission occurring in the performance of Employee's services under this Agreement. The City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon. This section shall not apply to any intentional tort or crime committed by Employee, to any action resulting from fraud, corruption or malice of Employee, to any action outside the course and scope of the services provided by Employee under this Agreement, or any other intentional or malicious conduct or gross negligence of Employee including as set forth in Section 4.4.

10.2 Defense. Whenever the Employee shall be sued for damages arising out of the performance of the Employee's duties, the City shall provide defense counsel for the Employee in such suit and indemnify the Employee from any judgment rendered against the Employee. Any defense may be subject to a reservation of rights agreement as permitted under State law.

10.3 Survival. This indemnification shall extend beyond termination of employment and the otherwise expiration of this Agreement to provide protection for any such acts undertaken or committed in the Employee's capacity as CAO, regardless of whether the notice of filing of a lawsuit occurs during or following employment with the City. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies that the Employee may have under the law.

10.4 Related Entities. In the event that the Employee shall serve as the chief executive of other City-related legal entities, then each provision of this Section shall be equally applicable

to each City-related legal entity as though set forth in an indemnity agreement between the Employee and that legal entity.

11.0 GENERAL PROVISIONS

11.1 Entire Agreement. This Agreement represents the entire agreement between the parties and supersedes any and all other agreement, either oral or in writing, between the parties with respect to Employee's employment by City, including the Prior Contract, and contains all of the covenants and agreements between the parties with respect to such employment. No ordinances or resolutions of City governing employment, including the City's Personnel System, shall apply unless specified herein. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by either party, or anyone acting on behalf of either party, that are not embodied herein, and that no other agreement, statement or promises not contained in this Agreement shall be valid or binding upon either party.

11.2 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be personally served or shall be sufficiently given when served upon the other party as sent by United States Postal Service, postage prepaid and addressed as follows:

To City:	To Employee:
Mayor City of Bell Post Office Box 998 Bell, CA 92220	Douglas Willmore

Notices shall be deemed given as of the date of personal service or upon the date of deposit in the course of transmission with the United States Postal Service.

11.3 Effect of Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

11.4 Partial Invalidity. If any provision in this Agreement 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.

11.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, which are in full force and effect as of the date of execution. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Employee covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles

11.6 Independent Legal Advice. City and Employee represent and warrant to each other that each has received legal advice from independent and separate legal counsel with respect to the legal effect of this Agreement. City and Employee further represent and warrant that each has carefully reviewed this entire Agreement, and that each and every term thereof is understood, and that the terms of this Agreement are contractual and not a mere recital. This Agreement shall not be construed against the party or its representatives who drafted it or who drafted any portion thereof.

11.7 Assignment. Neither this Agreement, nor any right, privilege, nor obligation of Employee hereunder, shall be assigned or transferred by Employee without the prior written consent of the City. Any attempt at assignment or transfer in violation of this provision shall, at the option of the City, be null and void and may be considered a material breach of this Agreement.

11.8 Severability. If any clause, sentence, part, section, or portion of this Agreement is found by a court of competent jurisdiction to be illegal or unenforceable, such clause, sentence, part, section, or portion so found shall be regarded as though it were not part of this Agreement and the remaining parts of this Agreement shall be fully binding and enforceable by the Parties hereto.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the City of Bell has caused this Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its City Clerk, and Employee has signed and executed this Agreement, the day and year below written.

CITY OF BELL

_____

Ali Saleh, Mayor

Employee

_____

Douglas Willmore

ATTEST:

_____

City Clerk

APPROVED AS TO FORM

_____

David J. Aleshire, City Attorney

Resume
Douglas Willmore
City Manager, City of Bell, California

Experience

April 2011 – Feb 2012 **City Manager, City of El Segundo, El Segundo, CA**

Serving 18,000 full-time residents, and more than 100,000 day-time residents and responsible for a $100M budget and 300 FT employees. Responsible for all aspects of City management in a full service City. Direct Reports are Police Chief, Fire Chief, Director of Finance, Planning Director, Community Services Director, and Public Works Director. Significant accomplishments include:

- Implemented first ever Performance Measures for all City Departments
- Started popular and acclaimed City Manager's blog to inform and engage citizens and employees
- Produced *first structurally balanced budget in City in 11 years*, i.e., matched ongoing revenues and expenses while reserving one time revenue and reserves for one-time capital infrastructure
- As chief negotiator for the City, successfully negotiated new 2 year labor agreements with 5 of 6 bargaining units that achieved *9% concessions with public safety and 5% concessions with miscellaneous employees* with no layoffs and while maintaining hours and service levels; all units reported that negotiations were positive, respectful, and collaborative
- Planned and initiated $18M capital infrastructure program to build, improve, and maintain deferred capital needs; funded entirely in existing revenue; first capital infrastructure program City in 11 years
- Identified and analyzed serious tax inequity and negotiated with major taxpayer to increase annual city tax revenue from $4.7M/year to $9.7M/year
- Successfully negotiated to keep second largest taxpayer in the City who signed a 15-year lease to stay in the City. The office lease was the largest office lease in Los Angeles in more than a decade (720,000 sq. feet)

Jan 2005 – Apr 2011 **Chief Administrative Officer, Salt Lake County Government, Salt Lake City, UT**

Serving over 1,000,000 residents in a fast growing County and responsible for an $811M budget and 4000 FT employees and 3000 PT employees. Reported directly to the Salt Lake County Mayor. Direct reports were Public Works Director, Human Services Director, Community Services Director, Administrative Services Director, Chief Financial Officer, Environmental Policy Coordinator, Criminal Justice Services

Coordinator, and Emergency Services Director. Oversees budgets of independently elected Sheriff, District Attorney, Clerk, Auditor, Recorder, Treasurer, and Surveyor. Significant accomplishments included:

- Implemented first ever Performance Measures for all County Departments
- Passed legislation, and completed engineering design and complex PPA financing structure for 1.6MW of PV Solar on rooftops of County libraries, recreation centers, and convention center with zero capital investment by the County
- Drafted, passed, and implemented new LEED Ordinance – all facilities constructed using County funding must meet a minimum of LEED – Gold
- Started and planned the ongoing initiative for an entire rewrite of the zoning and land use provisions for Salt Lake County (180,000 residents in unincorporated County) working with 19 Community Councils and 8 Planning Commissions
- Initiated energy audit of 52 County facilities and planned and financed improvements to reduce energy usage by 26%
- Led new initiative in County government to dramatically improve customer service and increase citizen participation in government; after 4 years, overall citizen satisfaction has increased 26% and participation was at an all time high
- During difficult economic times, increased innovation, collaboration, and efficiency to reduce overall County budget by $39M for 2009 and $36M in 2010; yet services to citizens *increased in both 2009 and 2010; constructed 4 new libraries, 3 new senior centers, and 2 new recreation centers in 2010 while absorbing operational costs into existing budget;* all while *increasing the General Fund balance from $23M to $42M*
- Represented County before bond rating agencies (Moody's, Fitch, S&P) multiple times on $585M worth of bonds while maintaining Salt Lake County's AAA rating from all three agencies

- Led cleanup and restoration of fiscal integrity after financial scandals from previous administration; now 100% implementation of all audit recommendations and 0 findings of material defect since 2005

- Testified before State Legislature on all matters related to County Government; negotiated and coordinated with elected officials and staffs of all 16 cities in Salt Lake County; provided policy analysis, information, and strategic planning to Salt Lake County Council

Nov 1998 – Nov 2003 **Chief Executive Officer, Reference Pathology Services, Salt Lake City, UT**

As Chief Executive Officer, Chairman of the Board, and one of three majority shareholders, led the growth and turnaround of a research pathology laboratory from 21 employees and $1.2M in revenue upon joining the company in 1988 to 120 employees and $22.2M in revenue upon the company's sale in December of 2002. Significant accomplishments included:

- Expansion of sales and service into 30 states

- Designed and developed new strategic direction of company that directly led to explosive growth

- Oversaw development of 6 new genomic laboratory tests; patents pending at the time of sale

- Increased net profits from -$120K in 1998 to $3.9M in 2002

- Managed sale of company in December 2002 to Ameripath, Inc. for $33.5M

Feb 1996 – Nov 1998 **Senior Consultant and Engagement Manager, London Perret Roche Group, Edison, New Jersey**

As senior consultant and engagement manager, managed large-scale, long-term transformation efforts in Fortune 50 companies. Significant accomplishments included:

- Worked with the leadership team and all 3000 employees of Lucent CFO (Don Peterson, CFO), to implement programs, processes, training, and education to improve their customer satisfaction rating from 61% to 98% over 18 months

- Worked with the leadership team and 10,000 employees of Bell Atlantic Global Systems (Mark Kutner, Director) to successfully manage all organizational culture aspects and union issues of merger with NYNEX over 12 month period

- Assisted Bell Atlantic Global Systems (Mark Kutner, Director) on 2-year project to transform relationship (from adversarial to partnership) with their unions and negotiate 2 new long-term union contracts with CWA

- Worked with director and 900 employees of Lucent Financial Services (Danny Lanier, Director) working in 48 countries to successfully move from 12 accounting platforms to 1, and to reduce "book-closing" time from 21 days to 1 day; achieved results in 16 months

- Worked with Tulane University's Provost Office (Martha Gilliland) on a long-term strategic plan for the University covering all aspects of development

June 1988 – Feb 1996 **Partner and General Manager, Summit West, Inc., Salt Lake City, UT**

With three other partners, led the acquisition, successful turnaround, and sale of 4 financially troubled real estate and construction related projects. They included:

- A failing 288-unit apartment complex in Manassas, VA

- A 7000 acre golf resort in Fish Haven, ID, which was, at the time, the largest Chapter 11 Bankruptcy in the Intermountain West

- A financially troubled $5M wholesale building material distributor in Salt Lake City, UT

May 1985 – May 1988 **Private Sector Development Officer, United States Agency for International Development (USAID), US Department of State, Belize**

Designed and managed all private sector development initiatives in Belize for the United States Government. Accomplishments included:

- Created and implemented a $20M commercial loan fund to promote commercial investment

- Created and implemented a $1M micro loan fund to help develop entrepreneurs and small businesses

- Designed and implemented a $3.5M management and financial training initiative for small business owners

Douglas Willmore
Resume--May 2012

Education

Master's in Public Administration, University of Utah, 1996

BS in Public Administration, George Mason University, 1983

Academic and Professional Activities

- Adjunct Professor in University of Utah's MPA Program – *Public Budgeting and Finance*
- Speaker and presenter at numerous professional conferences
- Member of ICMA

CITY OF BELL, CALIFORNIA

MINUTES OF THE

BELL CITY COUNCIL/BELL COMMUNITY HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE BELL COMMUNITY REDEVELOPMENT AGENCY/BELL PLANNING COMMISSION

May 16, 2012

Bell Community Center
6250 Pine Avenue

Called to Order by Mayor Saleh at 5:01 P.M.

Roll Call of the City Council in their capacities as Councilmembers/ Members of the Bell Community Housing Authority/ Planning Commissioners/ and, Members of the Successor Agency to the Bell Community Redevelopment Agency:

Present: Harber, Quintana, Alvarez, and Saleh (4)

Absent: Valencia (1) *

Also Present: Interim Chief Administrative Officer Croce, City Attorney Aleshire, and Interim City Clerk Healy

* Councilmember Valencia arrived during the Closed Session at 5:15 P.M.

Communications from the Public on Closed Session Items

None

Closed Session

1. The City Council and the related Authorities and Agencies will recess to a closed session to confer with legal counsel regarding the following matters:

   a) PUBLIC EMPLOYMENT pursuant to Government Code Section 54957 (b) (1) Title: Chief Administrative Officer

   b) CONFERENCE WITH LABOR NEGOTIATOR pursuant to Government Code Section 54956.6. (Bell Police Officers Association and Bell City Employees Association)

   c) CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Subdivision (a) of Section 54956.9) Name of Case: *Dexia Credit Local v. City of Bell, Bell Public Financing Authority*

d) CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Bell v. Best Best & Krieger*; LASC BC466436

e.) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation (Government Code Section 54956.9(b)) (two (2) potential cases)

Reconvene Regular Meeting – 7:24 P.M.

Pledge of Allegiance was led by Roger Ramirez

Proclamation presented to Rosa Perez representing Relay for Life, by the Mayor in Recognition of Relay for Life sponsored by the American Cancer Society

City Attorney Report

The City Attorney reported that Items 1d.) and e) were not discussed; Direction was given to the negotiator on Item 1b.), and no action was taken on 1a.) or 1c.)

Communications from the Public

The following individuals addressed the City Council on non-agenda items and items on the Agenda:

Victor Portilla (general);Juliana Sanchez (general); Agustin Lopez (general); Trina Flores (general); Velia Acosta (general); Richard Espirita (items 9, 12); Alfred Areyan (items 11,l 2, and general); Miguel Contreras (general); Carmen Bella (general); Sonnia Manzanilla (general); Merli Albizures (general); Alfredo Vasquez (general); Nora Saenz (general); and, Jose Moreno (Items 8, 9)

Consent Calendar

Recommendation: Approve items No. 2 through No. 5

2. Approval of Minutes of the Special Meeting of the City Council on April 25, 2012, and the Regular Meeting of May 2, 2012 **(Council/*Successor Agency to the Bell Community Redevelopment Agency/Bell Community Housing Authority***

3. Approval of General Warrants and Community Housing Authority and Successor Agency to the Community Redevelopment Agency Warrants dated May 16, 2012. ***(Council/Successor Agency to the Bell Community Redevelopment Agency/Bell Community Housing Authority)***

4. Adoption of Ordinance pertaining to the regulation of yard sales in the R-1, R-2, and R-3 Residential Zoning Districts.***(Council)***

<u>ORDINANCE NO. 1186</u> - An Ordinance of the City Council of City of Bell, California, adopting Zoning Code Amendment 2012-01, amending Bell Municipal Code Section 17.16.030, Section 17.20.030 and Section 17.24.030 pertaining to the regulations of yard sales in the R-1, R-2 and R-3 Residential Zoning Districts.

5. 2012 Justice Assistance Grant (JAG) for Police Radio Improvements ***(Council)***

Motion by Councilmember Harber, seconded by Councilmember Quintana to approve consent calendar Items No. 2 through No. 5 was adopted by the following vote:

Ayes:	***Councilmembers Harber, Quintana, and Valencia, Vice-Mayor Alvarez, and Mayor Saleh (5)***
Noes:	***None (0)***
Abstained:	***None (0)***
Absent:	***None (0)***

MOTION UNANIMOUSLY ADOPTED

Public Hearings

6. Development of a proposed 490,000 square foot warehouse distribution building, located at 5553 Bandini Boulevard in the City of Bell (***Planning Commission) Applicant Xebec Reality Partners***

Nancy Fong, Interim Director of Community Development gave a brief presentation on this item. Following questions to staff by the Planning Commission, the Chair opened the public hearing.

The applicant addressed the Planning Commission and noted that this was an exciting project and noted that it involved converting a truck terminal; he further noted that the project would not have been possible without the cooperation and assistance from city staff

The following individuals addressed the Planning Commission on this item:

Alfred Areyan expressed hope that this project will provide jobs for Bell residents; Ismael Morales noted that the applicant should be cautious as to what type of businesses are allowed in the new facility; Carmen Bella and Sonnia Manzanilla supported the project and Janice Bass noted that the applicants should learn the history of this parcel

Hearing no one else who wished to speak on this matter, the Chair closed the public hearing; Planning Commission discussion ensued.

RESOLUTION NO. 2012-43-PC - A Resolution of the Planning Commission of the City of Bell approving a mitigated negative declaration and mitigation monitoring and reporting program for the Bandini Industrial Center project, including Parcel Map No. 71920 to combine three parcels into one 21.26 acre lot; Conditional Use Permit No. 2012-07 and Architectural Review Board No. 2012-11 for the construction and operation of a 490,000 square foot warehouse distribution building with 188 vehicular parking spaces, 71 dock doors and 78,000 square feet of landscaping; located on the north side of Bandini Boulevard between Pennington Way and Yeager Way, 5553 Bandini Boulevard, City of Bell, CA 90201 (APN: 6332-002-932, 6332-002-933 and a portion of 6223-002-940)

RESOLUTION NO. 2012-44-PC – A Resolution of the Planning Commission of the City of Bell approving Tentative Parcel Map No. 71920 for the Bandini Industrial Center Project. The Parcel Map will combine three parcels, one of which is located in the City of Vernon into one 21.26 acre parcel; for the construction and operation of a 490,000 square foot warehouse distribution building with 188 vehicular parking spaces, 71 dock doors and 78,000 square feet of landscaping; generally located on the north side of Bandini Boulevard between Pennington Way and Yeager Way, 5553 Bandini Boulevard, City of Bell, CA 90201 (APN: 6332-002-932, 6332-002-933 and a portion of 6223-002-940)

RESOLUTION NO. 2012-45-PC – A Resolution of the Planning Commission of the City of Bell approving Conditional Use Permit No. 2012-01 and Architectural Review Board No. 2012-11 for the Bandini Industrial Center Project. The Conditional Use Permit and Architectural Review Board provide the standards for construction and operation of a 490,000 square foot warehouse distribution building with 188 vehicular parking spaces, 71 dock doors and 78,000 square feet of landscaping; to be constructed on one 21.26 acre parcel; which straddles the boundary between the City of Bell and the City of Vernon; generally located on the north side of Bandini Boulevard between Pennington Way and Yeager Way, 5553 Bandini Boulevard, City of Bell, CA 90201 (APN: 6332-002-932, 6332-002-933 and a portion of 6223-002-940)

Motion by Planning Commission Vice-Chair Alvarez, seconded by Commissioner Valencia to approve Item No. 6 and adopt Planning Commission Resolutions 2012-43-PC, 2012-44-PC, and 2012-45-PC was adopted by the following vote:

Ayes:	***Commissioners Harber, Quintana, and Valencia, Vice-Chair Alvarez, and Chair Saleh (5)***
Noes:	***None (0)***
Abstained:	***None (0)***
Absent:	***None (0)***

MOTION UNANIMOUSLY ADOPTED

7. Consideration of extension of Urgency Ordinance imposing a temporary moratorium on Medical Marijuana Dispensaries and temporary restrictions on cultivation of marijuana ***(Council)***

<u>ORDINANCE NO. 1188</u> - An interim Urgency Ordinance of the City Council of the City of Bell, California, extending a moratorium adopted by Ordinance No. 1185 by 10 months and 15 days, Imposing a Temporary Moratorium on the Establishment of Medical Marijuana Dispensaries, and Imposing Temporary Restrictions on Cultivation of Medical Marijuana

Nancy Fong, Interim Director of Community Development gave a brief explanation of this item. Following her presentation, the Mayor opened the public hearing on this item; hearing no one wishing to speak, he closed the public hearing. Council discussion ensued.

Motion by Councilmember Quintana, seconded by Councilmember Harber to adopt Urgency Ordinance No. 1188 was adopted by the following vote:

Ayes:	***Councilmembers Harber, Quintana, and Valencia, Vice-Mayor Alvarez, and Mayor Saleh (5)***
Noes:	***None (0)***
Abstained:	***None (0)***
Absent:	***None (0)***

MOTION UNANIMOUSLY ADOPTED

The Mayor recessed the meeting at 9:00 P.M.; the meeting was reconvened at 9:07 P.M.

Business Calendar

8. Award of New Solid Waste Collection Franchise to Consolidated Disposal Service ***(Council)***

Bill Smith, Pro-bono consultant, informed the Council that seven bids had been received by the May 1, 2012 deadline at 10:30 a.m., and the committee formed to review these proposals has completed its work and recommends that the franchise be awarded to Consolidated Disposal Service. Following Mr. Smith's briefing, Councilmembers asked questions relative to the evaluation process. Mr. Mike Balliet, representing the City's consultant Waste Systems Management, explained the process and the methods employed to evaluate all submitted proposals.

Following questions from the Council, the Mayor asked representatives from the companies that submitted bids on the Solid Waste Collection franchise agreement if they wished to address the Council. He announced that each proposer would be allowed five minutes to address the Council. Representatives from Consolidated Disposal Service, Athens Services, Waste Resources Inc., and Universal Waste Systems, Inc. addressed the Council.

The following individuals addressed the Council in support or opposition to the award of the bid to Consolidated Disposal Service:

Jessy Armendariz (support)'Jose Ruiz (support); Jim Smith (support); Greg Good (support); Jose Moreno (opposed); Ismael Morales (expressed concerns); Alfred Areyan (expressed concerns); Ruby Siqueives (opposed); Nora Saenz (opposed); Juan Montanez (expressed concerns); Gerardo Mayagoitta (opposed); Ed Chen (opposed); Diane Oliva (opposed).

Following public comments on this matter, Council debate ensued.

Motion by Councilmember Valencia to reject all bids failed due to a lack of a second.

Motion by Councilmember Quintana, seconded by Vice Mayor Alvarez to approve staff recommendations to award the new solid waste franchise effective July 1, 2012 to Consolidated Disposal Service (CDS) and approve the rates contained in the attachments submitted by CDS as the maximum rates effective July 1, 2012 was adopted by the following vote:

Ayes:	***Councilmember, Quintana, Vice-Mayor Alvarez, and Mayor Saleh (3)***
Noes:	***Councilmembers Harber and Valencia (2)***
Abstained:	***None (0)***
Absent:	***None (0)***

MOTION ADOPTED

9. Engineer's Reports for Fiscal Year 2012-13 Landscape and Lighting District and Sewer Maintenance District ***(Council)***

City Engineer Terry Rodrigue gave a brief explanation of this item and noted that the public hearing to consider the levying and collection of assessments within the City's Landscape and Lighting and Sewer Maintenance Assessment Districts would be held on July 18, 2012. Following his presentation, Council discussion ensued.

<u>RESOLUTION NO. 2012-39</u> - A Resolution of the City Council of the City of Bell, California Approving the Engineer's Report Regarding the Levy and Collection of Assessments within the City of Bell Landscaping and Lighting Assessment District for the 2012-13 Fiscal Year and Directing that the City Clerk Make the Engineer's Report a Permanent Record Available for Public Inspection.

<u>RESOLUTION NO. 2012-40</u> - A Resolution of the City Council of the City of Bell, California, Approving the Engineer's Report Regarding the Levy and Collection of Assessments Within the City of Bell Sewer Maintenance District for the 2012-13 Fiscal Year and Directing that the City Clerk Make the Engineer's Report a Permanent Record Available for Public Inspection

<u>RESOLUTION NO. 2012-41</u> - A Resolution of the City Council of the City of Bell, County of Los Angeles, California, Declaring the Intention to Levy and Collect the Annual Assessments within the City of Bell Landscaping

and Lighting Assessment District for the 2012-13 Fiscal Year Pursuant to the Provisions of Division 15, Part 2, of the Streets and Highways Code of the State of California, and Setting a Time and Place for Public Hearing of Objections Hereon.

RESOLUTION NO. 2012-42 - A Resolution of the City Council of the City of Bell, County of Los Angeles, California, Declaring the Intention to Levy and Collect the Annual Assessments for the Sewer Maintenance District for the 2012-13 Fiscal Year, and Fixing a Time and Place for Hearing of Objections Hereon.

Motion by Councilmember Valencia, seconded by Vice-Mayor Alvarez to adopt Resolutions Nos. 2012-39, 2012-40, 2012-41 and 2012-42 was adopted by the following vote:

Ayes:	***Councilmembers Harber, Quintana, and Valencia, Vice-Mayor Alvarez, and Mayor Saleh (5)***
Noes:	***None (0)***
Abstained:	***None (0)***
Absent:	***None (0)***

MOTION UNANIMOUSLY ADOPTED

10. Street Sweeping, Bus Shelter Cleaning and Sidewalk Cleaning Request for Proposal. ***(Council)***

Vernon Ficklin, Community Services Consultant, presented a brief explanation of the proposed Request for Proposal for Street Sweeping, Bus Shelter Cleaning and Sidewalk Cleaning Services. Following his presentation, Council discussion ensued.

Motion by Councilmember Quintana, seconded by Councilmember Harber to approve the release of a Request for Proposal for Street Sweeping, Bus Shelter Cleaning and Sidewalk Cleaning Services was adopted by the following vote:

Ayes:	***Councilmembers Harber, Quintana, and Valencia, Vice-Mayor Alvarez, and Mayor Saleh (5)***
Noes:	***None (0)***
Abstained:	***None (0)***
Absent:	***None (0)***

MOTION UNANIMOUSLY ADOPTED

11. Public Transportation Request for Proposal (***Council)***

Vernon Ficklin, Community Services consultant, gave a brief presentation on this item. Following his presentation, Council discussion ensued.

Motion by Councilmember Valencia to approve the Public Transportation Request for Proposal as amended to reduce the experience qualification from

five years in the provision of transportation services to three years experience, was adopted by the following vote:

Ayes:	***Councilmembers Harber, Quintana, and Valencia, Vice-Mayor Alvarez, and Mayor Saleh (5)***
Noes:	***None (0)***
Abstained:	***None (0)***
Absent:	***None (0)***

12. Ordinance Establishing Hours of Operation for all City Parks Facilities (First Reading - Introduction for Reading of Title) ***(Council)***

Debra Kurita, Interim Director of Community Services, gave an explanation of the proposed ordinance. Following her presentation, Council discussion ensued.

Motion by Vice-Mayor Alvarez, seconded by Councilmember Quintana to introduce Ordinance No. 1187 for first reading and continue to the regular meeting of June 6, 2012 for final consideration, was adopted by the following vote:

ORDINANCE NO. 1187 - An Ordinance of the City of Bell Establishing Hours of Operation at All City Park Facilities.

Ayes:	***Councilmembers Harber, Quintana, and Valencia, Vice-Mayor Alvarez, and Mayor Saleh (5)***
Noes:	***None (0)***
Abstained:	***None (0)***
Absent:	***None (0)***

MOTION UNANIMOUSLY ADOPTED

Mayor and City Council Communications

Councilmember Quintana

- Encouraged residents to participate in the Relay for Life Event in Huntington Park on June 23, 2012

Councilmember Valencia

- Announced that the Los Angeles Federation of Labor is sponsoring a food bank

Adjournment – 12:07 A.M.

Next Regular Meeting, Wednesday, June 6, 2012

I, Patricia Healy, CMC, Interim City Clerk of the City of Bell, certify that the foregoing minutes were approved by the City Council of the City of Bell at a regular meeting held on May 16, 2012.

Patricia Healy, CMC
Interim City Clerk

Ali Saleh, Mayor

MINUTES OF THE SPECIAL MEETING OF THE BELL CITY COUNCIL

May 21, 2012

Bell Community Center
6250 Pine Avenue

Called to Order by Mayor Saleh at 5:35 P.M.

Pledge of Allegiance to the Flag led by Joe Carmona

Roll Call of the City Council in their capacities as Councilmembers:

Present: Alvarez, Quintana, Harber, Saleh (4)

Absent: Valencia (1)

Also Present: Interim Chief Administrative Officer Croce

Communications from the Public on Agenda Item

Dennis Acevedo, Joe Carmona, Carmen Bella, Sandra Orozco, and Nelly Sanchez thanked Interim Chief Administrative Officer Croce for his work and dedication to the city and asked the Council to select a new City Manager with Mr. Croce's qualifications.

Closed session – 5:43 P.M.

1. PUBLIC EMPLOYMENT pursuant to Government Code Section 54957 (b) (1)
   Title: Chief Administrative Officer (City Manager)

Following Closed Session, the Mayor announced in open session that the City Council selected Mr. Doug Willmore as the new Chief Administrative Officer (City Manager) for the City of Bell

Adjournment – 5:55 P.M.

Next Regular Meeting, Wednesday, June 6, 2012.

I, Patricia Healy, CMC, Interim City Clerk of the City of Bell, certify that the foregoing minutes were approved by the City Council of the City of Bell at a regular meeting held on June 6, 2012.

Patricia Healy, CMC
Interim City Clerk

Ali Saleh, Mayor

General

Warrants
for

June 6, 2012

HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
49847	05/23/12	120601	CITY OF BELL PAYROLL FUND PAYROLL DEPOSIT-PAY OF 5/25/12	229,778.67
49848	05/23/12	120601	WRIGHT EXPRESS FSC GAS CONSUMPTION-3/29-4/21/12 BELL P.D.	9,862.37
49849	05/24/12	120601	VOID VOID-TEST PRINT	0.00
49850	05/24/12	120601	VOID VOID-TEST PRINT	0.00
49851	05/24/12	120601	AT&T TELEPHONE BILLING-4/2-51/1/12 MTA CONNECTION/SVCS @CITY HALL TELEPHONE BILLING-4/2-5/1/12 MTA CONNECTION/SVCS @BELL P.D. TELEPHONE BILLING-4/2-5/1/12 CITY HALL	3,918.55
49852	05/24/12	120601	AT&T MOBILITY TELEPHONE BILLING-3/24-4/23/12 BELL P.D.	680.65
49853	05/24/12	120601	AT&T TELEPHONE BILLING-3/27-4/26/12 BELL P.D.	281.65
49854	05/24/12	120601	CALIFORNIA WATER SERVICE WATER BILLING-3/29-4/27/12 RICKBKE&EASTERN WATER BILLING-3/29-4/27/12 BNDNI-AMLAERHT	79.37
49855	05/24/12	120601	CITY OF HUNTINGTON PARK WATER BILLING-3/5-5/5/12 CARMELITA & RANDOLPH	15.36
49856	05/24/12	120601	COSTCO WHOLESALE BUSINESS MEMBERSHIP-GENERAL	55.00
49857	05/24/12	120601	SOUTHERN CALIFORNIA EDISON ELECTICAL BILLING-4/4-5/3/12 6590 WILCOX ELECTRICAL BILLING-4/10-5/9/12 6707 BEAR AVE-LB PARK ELECTRICAL BILLING-2/23-3/23 5007 FLORENCE PED ELECTRICAL BILLING-4/1-5/1/12 VARIOUS ACCOUNTS	3,299.11
49858	05/24/12	120601	TELEPACIFIC COMMUNICATIONS TELEPHONE BILLING-4/23-5/22/12	3,866.99

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			BELL P.D.	
49859	05/24/12	120601	U.S. POSTAL SERVICE POSTAGE METER REFILL	2,000.00
49860	05/24/12	120601	WELLS FARGO BANK W.C. ACCT RPLNISH CK#6492-6506	3,303.38
49861	05/24/12	120601	VOID VOID-TEST PRINT	0.00
49862	05/24/12	120601	VOID VOID-TEST PRINT	0.00
49863	05/24/12	120601	COSTCO WHOLESALE CAMERA & EQUIPMENT-GENERAL USE	778.74
49864	05/31/12	120601	VOID VOID-TEST PRINT	0.00
49865	05/31/12	120601	VOID VOID-TEST PRINT	0.00
49866	05/31/12	120601	AT&T TELEPHONE BILLING-5/7-6/6/12 BELL P.D.	64.20
49867	05/31/12	120601	AT&T-LONG DISTANCE TELEPHONE BILLING-4/2-5/1/12 LONG DISTANCE-VARIOUS ACCOUNTS	23.29
49868	05/31/12	120601	THE GAS COMPANY GAS BILLING-4/12-5/10/12 6704 ORCHARD AVE-LB PARK GAS BILLING-4/12-5/11/12 4357 GAGE AVE-SK8 PARK GAS BILLING-4/12-5/11/12 MULTIPLE ADDRESSES	258.07
49869	05/31/12	120601	GOLDEN STATE WATER COMPANY WATER BILLING-4/20-5/21/12 4400 GAGE AVE WATER BILLING-4/23-5/22/12 7006 WALKER AVE	39.36
49870	05/31/12	120601	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-4/16-5/15 6901 1/2 RIVER DR ELECTRICAL BILLING-4/13-5/14 6800 OTIS TC1 ELECTRICAL BILLING-4/13-5/14 6510 CLARKSON AVE ELECTRICAL BILLING-4/18-5/17 4357 GAGE AVE-SK8 PARK	578.41

HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
49871	05/31/12	120601	TONY'S BODY SHOP VARIOUS REPAIRS-2001 FORD PKUP COMMUNITY CENTER	3,831.21
49872	05/31/12	120601	WELLS FARGO BANK W.C. ACCT REPLENISH CK#6507-25	7,097.50
49873	05/31/12	120601	WELLS FARGO REMITTANCE CENTER REGISTRATION-NLC A.M. QUINTANA SPR REPORTS-FINANCE DEPARTMENT NATURAL GAS-PUBLIC WORKS	649.68
49874	05/31/12	120602	ADAMSON POLICE PRODUCTS FLARES (15MIN)-BELL P.D.	934.13
49875	05/31/12	120602	ADMIN SURE W.C./LIABLITY SVCS-JUN'12	2,520.00
49876	05/31/12	120602	ALESHIRE & WYNDER, LLP LEGAL SVCS-3/1-31/12 GENERAL LEGAL SVCS-3/9-31/12 PLANNING LEGAL SVCS-3/6-31/12 FINANCE LEGAL SVCS-3/6-31/12 POLICE LEGAL SVCS-3/4-31/12 GO BONDS LEGAL SVCS-2/6-3/31/12 DEXIA CREDIT LOCAL (VS BELL) LEGAL SVCS-3/2-31/12 UNLAWFUL DETAINERS(HSG) LEGAL SVCS-2/1/12 PITCHNESS MOTIONS LEGAL SVCS-1/4-3/31/12 RICHARD FISHER ASSOC(VS BELL) LEGAL SVCS-3/1-31/12 SORIA,MARIA W. (VS BELL) LEGAL SVCS-3/1-31/12 SPACCIA,PIER ANGELA (VS BELL) LEGAL SVCS-3/16-31/12 MARTINEZ,RENE (VS BELL) LEGAL SVCS-1/9-3/31/12 RIZZO,ROBERT ADRIAN (VS BELL) LEGAL SVCS-1/9-3/31/12 ATTORNEY GENERAL LITIGATION	64,631.47
49877	05/31/12	120602	ALESHIRE & WYNDER, LLP LEGAL SVCS-3/6-31/12 LITIGATION LEGAL SVCS-3/1-31/12 PUBLIC WORKS/ENGINEERING LEGAL SVCS-1/8-3/30/12	25,686.92

12C

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			ASSESSMENT/BOND LEGAL SVCS-2/27-3/19/12 HOUSING LEGAL SVCS-3/1-31/12 FRANCHISE/CABLE LEGAL SVCS-3/1-31/12 REIMBURSABLE LEGAL SVCS-2/3-3/21/12 RISK MANAGEMENT LEGAL SVCS-3/1-27/12 CORCORAN, JAMES(VS BELL) LEGAL SVCS-3/2-31/12 RAMIREZ, LISA (VS CO. OF LA) LEGAL SVCS-11/30/11-3/31/12 GORMLET, BIAN (VS BELL) LEGAL SVCS-3/1-29/12 RIVERA, ISMAEL(VS ALBERT N.)	
49878	05/31/12	120602	ALL ACTION SECURITY SECURITY GUARD SVCS-4/16-30/12	914.25
49879	05/31/12	120602	AMERICAN GUARD SERVICES, INC. CROSSING GUARD SERVICES-APR'12	9,720.76
49880	05/31/12	120602	AMY'S TROPHIES & SPECIALTIES PLAQUE-B. SMITH	102.23
49881	05/31/12	120602	YOLANDA ARIAS REFUND-HALL DEPOSIT 4/28/12	300.00
49882	05/31/12	120602	BETTY L. ATCHISON INSURANCE BENEFIT-MAY'12	75.00
49883	05/31/12	120602	GEORGE BALANDARAN SUBSISTENCE-6/12-13/12	20.00
49884	05/31/12	120602	BAY ALARM COMPANY EQUIPMENT INSTALLATION 6250 PINE AVE	4,050.00
49885	05/31/12	120602	BELCHER & ASSOCIATES INTERIM CHIEF OF PD-5/16-31/12	6,500.00
49886	05/31/12	120602	BELL SERVICE CENTER FLAT SERVICE FEE-APR'12 A/C CONTROLER-UNIT#325 SHIFTER/MDT POWER PK-UNIT#337 AIR CONDITIONING SYS-UNIT#334 VARIOUS REPAIRS-UNIT#363 LUBE/OIL/FILTER/FRONT BRAKE PADS/DRIVE BELT VARIOUS REPAIRS-UNIT#355 A/C BLOWER RELAY/RESISTOR/ BLEND DOOR ACTUATOR VARIOUS REPAIRS-UNIT#361	3,368.68

12D

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			LUBE/OIL/FILTER/FUEL INJECTION CLEANING VARIOUS REPAIRS-UNIT#344 MDT POWER PACK/A/C BLOWER RELAY/RESISTOR/MOUNT TIRES	
49887	05/31/12	120602	CHANGE COMMUNITIES CITY CLERK WEBSITE SVCS-MAY'12	200.00
49888	05/31/12	120602	CHATSWORTH GLOVES INC. LATEX GLOVES-BELLP.D.	649.24
49889	05/31/12	120602	JERRY CLINE INSURANCE BENEFIT-MAY'12	75.00
49890	05/31/12	120602	GABRIEL COBOS REFUND-PARKING CIT #100022241	145.00
49891	05/31/12	120602	COLEY HEALTH INVESTIGATIONS BACKGROUND INVESTIGATION-H.F. BACKGROUND INVESTIGATION-M.L.	1,800.00
49892	05/31/12	120602	COMMERCIAL DOOR METAL SYSTEMS REPAIR SVCS-CITY HALL	391.29
49893	05/31/12	120602	COMSERCO, INC. MAINT BILLING-MAY'12	1,071.00
49894	05/31/12	120602	CONSOLIDATED DISPOSAL WASTE/RECYCLING SVCS-APR'12	96,389.66
49895	05/31/12	120602	COPSPLUS INC. BATTERY/STINGER-FLASHLIGHT/CE	144.56
49896	05/31/12	120602	CPS PROFESSIONAL SVCS-2/11-3/31 CLASS & COMP	2,788.91
49897	05/31/12	120602	ARNE LOUIS CROCE INTERIM CAO SVCS-5/1-15/12 INTERIM CAO SVCS-5/16-31/12	14,000.00
49898	05/31/12	120602	CVC LEGAL SOLUTIONS PHOTOCOPY EXPENSE-F.ESPEJO	35.00
49899	05/31/12	120602	DAILY JOURNAL CORP. HEARING NOTICE-YARD SALES HEARING NOTICE-BANDINI PROJ	987.22
49900	05/31/12	120602	DATASTREAM BUSINESS SOLUTIONS, HP9000 PROGRAMMING 4/1-30/12 MACIAS 2012-2011 AUDIT	1,805.00
49901	05/31/12	120602	COUNTY OF LOS ANGELES ANIMAL HOUSING SVCS-APR'12	4,889.47

12E

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
49902	05/31/12	120602	DEPARTMENT OF CORONER COMP PROGRAM SYS MAINT COMP PROGRAM SYS MAINT	2,388.00
49903	05/31/12	120602	DIRECTV SATELLITE SVCS-5/22-6/21/12 CITY HALL/BELL P.D.	42.99
49904	05/31/12	120602	DUNN-EDWARDS CORP. PAINT SUPPLIES-LB PK	55.74
49905	05/31/12	120602	RONY ESCOBAR REFUND-PARKING CIT #100029950	465.00
49906	05/31/12	120602	NORDIS PARENTE LETTER HEAD-BELL P.D. BUSINESS CARDS-G.JARA LETTER HEAD-GENERAL	742.77
49907	05/31/12	120602	FEDERAL EXPRESS DELIVERY SERVICES-N.FONG PACKETS TO OVERSIGHT BOARD DELIVERY SERVICES-A.GUTIERREZ	194.11
49908	05/31/12	120602	G2 FORENSIC INVESTIGATIONS PROF SVCS-SPECIAL PRJ 4/5-5/16	1,014.00
49909	05/31/12	120602	G4S SECURE SOLUTIONS (USA)INC. JAIL SERVICES-BELL P.D./APR'12	13,143.78
49910	05/31/12	120602	GALL'S INC. UNIFORM SUPPLIES-V.RODRIGUEZ	118.99
49911	05/31/12	120602	JOSE GARCIA SUBSISTENCE-6/12-13/12	20.00
49912	05/31/12	120602	PATRICIA GARCIA REFUND-HALL RENTAL 5/5/12	650.00
49913	05/31/12	120602	HANNA, BROPHY, MACLEAN, LEGAL BILLING-11/27/11-1/20/12 A.PROBST LEGAL BILLING-1/7-2/4/12 M.STARK LEGAL BILLING-1/7-2/9/12 R.DIAZ	2,385.00
49914	05/31/12	120602	TY HENSHAW LODGING-6/6-8/12 SUBSISTENCE-6/6-8/12	481.88
49915	05/31/12	120602	OSCAR & PEARL HERNANDEZ REFUND-PARKING CIT #4040166	135.50

12F

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
49916	05/31/12	120602	HINDERLITER DE LLAMAS & CONTRACT SVCS-SALES TAX 2NDQTR AUDIT SERVICES-SALES TAX	900.30
49917	05/31/12	120602	HUB INTERNATIONAL INSURANCE LIABILITY INSURANCE-C.CTR APRIL 2012 LIABILITY INSURANCE-C.CTR MAY 2012	1,132.06
49918	05/31/12	120602	INTERWEST CONSULTING GROUP INC PROF SVCS-ENGINEERING 4/1-30 DEVELOPMENT ENGINEERING-4/1-30 MGMT STAFF SUPPORT SVCS-4/1-30	57,995.00
49919	05/31/12	120602	ART JIMENEZ SUBSISTENCE-6/21-23/12 LODGING-6/21-23/12	389.24
49920	05/31/12	120602	JOSE JIMENEZ SUBSISTENCE-6/12-13/12	20.00
49921	05/31/12	120602	ROSALIO S. JIMENEZ REFUND-PARKING CIT #100030935	56.50
49922	05/31/12	120602	KELDON PAPER COMPANY PAPER-COMMUNITY CENTER PAPER-CITY HALL/GENERAL PAPER-BELL P.D.	2,448.24
49923	05/31/12	120602	L.B. JOHNSON HARDWARE CO #1 HARDWARE SUPPLIES-P.D. JAIL TOILET REPAIRS HARDWARE SUPPLIES-P.D. PLUMBING REPAIRS HARDWARE SUPPLIES-P.D. PLUMBING REPAIRS	257.60
49924	05/31/12	120602	LA COUNTY SHERIFF DEPT. BOOKING FEES-1/1-3/31/12 FOOD SVCS/CUSTODY-P.D. APR'12	644.00
49925	05/31/12	120602	LA OPINION PUBLICATION SVCS-4/30-5/6/12	287.50
49926	05/31/12	120602	LAC+USC MEDICAL CENTER MED SVCS-4/2/12 DR#12-1067	730.00
49927	05/31/12	120602	LEXIPOL LLC POLICY MANUAL UPDT-6/1-5/31/13	2,850.00
49928	05/31/12	120602	LOS ANGELES CABLE TELEVISION PRODUCTION SVCS-4/4-25/12	1,000.00

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
49929	05/31/12	120602	ARMANDO MARQUEZ REFUND-PARKING CIT #4044561	36.00
49930	05/31/12	120602	ADRIANA MIRAMONTES REFUND-PARKING CIT #100030839	56.50
49931	05/31/12	120602	ISAIAS MORENO REFUND-PARKING CIT #100021545	38.00
49932	05/31/12	120602	NBS PROFESSIONAL SVCS-APR'12	900.00
49933	05/31/12	120602	OFSI COPIER LEASE-5/1-31/12 PYT #36 FAX LEASE-5/1-31/12 PYT #11	595.33
49934	05/31/12	120602	PECKHAM & MCKENNEY COMMUNITY SVCS DIRECTOR SEARCH PROFESSIONAL FEE RETAINER FINANCE DIRECTOR SEARCH PROFESIONAL FEE RETAINER POLICE CHIEF SEARCH PROFESSIONAL FEE RETAINER	15,000.00
49935	05/31/12	120602	CARLOS PICAZO REFUND-PARKING CIT #100030373	56.50
49936	05/31/12	120602	PLAN REVIEW CONSULTANTS, INC. PLAN REVIEW SVCS-PC#45814, PC#45702, PC#45401	1,047.51
49937	05/31/12	120602	PMC ENVIRONMENTAL RVW-3/31-4/27/12 BANDINI INDUSTRIAL	1,437.50
49938	05/31/12	120602	PRAXAIR DISTRIBUTION INC EQUIPMENT RENTAL-C.CTR	41.08
49939	05/31/12	120602	QUICK DISPENSE MISC SUPPLIES-BELL P.D. MISC SUPPLIES-CITY HALL	297.70
49940	05/31/12	120602	QUILL CORPORATION OFFICE SUPPLIES-CODE ENF OFFICE SUPPLIES-PARKS&REC OFFICE SUPPLIES-FINANCE OFFICE SUPPLIES-PARKS&REC OFFICE SUPPLIES-CODE COMPL OFFICE SUPPLIES-CITY CLERK OFFICE SUPPLIES-CITY CLERK OFFICE SUPPLIES-CITY CLERK OFFICE SUPPLIES-ICAO	3,095.81
49941	05/31/12	120602	RELIA-TECH	3,207.72

12H

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			SERVICE CALL-BELL P.D.	
			SERVICE CALL-BELL P.D.	
			MICROSOFT OFFICE 2010-CDD	
			COMPUTER MAINT CONTRACT-JUN'12	
49942	05/31/12	120602	REPUBLIC ITS INC	1,814.89
			TRAFFIC SIGNAL MAINT-APR'12	
49943	05/31/12	120602	ROSE CLEANERS & LAUNDRY	92.00
			BLANKET/TOWEL CLEANING SVCS	
			BELL P.D.-APR'12	
49944	05/31/12	120602	GORGONIO RUELAS	56.50
			REFUND-PARKING CIT# 100030710	
49945	05/31/12	120602	ANGELA RUIZ	319.20
			REIMB/AIRLINE TICKETS-7/19-21	
			SUPERVISORY SESSION2-A. JIMENEZ	
			REIMB/AIRLINE TICKETS-6/21-23	
			SUPERVISORY SESSION1-A. JIMENEZ	
49946	05/31/12	120602	SCOTT COMPANY DRUG TESTING	146.64
			DRUG TEST-P.D.	
49947	05/31/12	120602	SJC 3 CONSULTING	9,880.00
			CONSULTING SVCS-5/1-31/12	
			CDBG/CDBG-R	
			CONSULTING SVCS-3/26-4/27/12	
			CDBG-CDBG-R	
49948	05/31/12	120602	SOUTH COAST A.Q.M.D.	113.88
			AQMD FEE-JULY 2011-JUNE 2012	
49949	05/31/12	120602	SOUTHEAST COMMUNITY	7,250.00
			COMPUTER TRAINING SVCS-APR'12	
49950	05/31/12	120602	STANLEY PEST CONTROL CO	434.00
			PEST CONTROL-04/12	
			3700 GAGE AVE	
			PEST CONTROL-04/12	
			6707 BEAR AVE	
			PEST CONTROL-04/12	
			6326-6330 PINE AVE	
			PEST CONTROL-04/12	
			6250 PINE AVE	
			PEST CONTROL-04/12	
			6326-6330 PINE AVE	
			PEST CONTROL-04/12	
			4357 GAGE AVE	
			PEST CONTROL-04/12	
			6500 WILCOX AVE	
			PEST CONTROL-04/12	
			5320 GAGE AVE	
			PEST CONTROL-04/12	
			7100 WALKER AVE	

12.I

HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			PEST CONTROL-04/12 4400 GAGE AVE PEST CONTROL-04/12 4874 GAGE AVE	
49951	05/31/12	120602	STATEWIDE TRANSCRIPTION SVCS TRANSCRIPTION SVCS-P.D. ADMIN	16.50
49952	05/31/12	120602	TOSHIBA AMERICA BUSINESS SOLUT COPIER LEASE-JUN'12 C.H.	391.50
49953	05/31/12	120602	TRANSTECH ENGINEERS, INC PLAN CHECK SVCS-PC #45861 PLAN CHECK SVCS-PC #45869	485.35
49954	05/31/12	120602	U.S. HEALTH WORKS BLOOD ALCOHOL DR #12-1289 MED SVCS-DR #12-1345	50.00
49955	05/31/12	120602	UNDERGROUND SERVICE ALERT UNDERGROUND FAX NOTICES-MAY'12	33.00
49956	05/31/12	120602	UNIFIED TRANSLATION SERVICES INTERPRETING SVCS-CCM 4/25/12 INTERPRETING SVCS-CCM 4/4&3/21	900.00
49957	05/31/12	120602	JESUS DANIEL VALENZUELA CHAVEZ COURT ORDER/POWER OF ATTORNEY	2,205.00
49958	05/31/12	120602	WASTE SYSTEMS MANAGEMENT, LLC FRANCHISE SVCS-SOLID WASTE/REC	21,800.00
49959	05/31/12	120602	WELLS FARGO BANK, N.A. D.B. PLAN ADMIN FEE-JAN-MAR'12	1,158.00
49960	05/31/12	120602	WELLS LOCK & KEY SERVICE CALL-CITY HALL 3 KEYS-BELL P.D. 1 KEY-BELL P.D. 2 PAD LOCKS-EVIDENCE YARD/P.D. 5 KEYS-CITY HALL 3 KEYS-BELL P.D. 4 KEYS-SERVICE CALL/BELL P.D.	221.00
49961	05/31/12	120602	ZEE MEDICAL, INC. MEDICAL SUPPLIES-BELL P.D.	92.06
TOTAL	115 CHECKS			678,473.72
W0000684	05/15/12	120603	CITY OF BELL PAYROLL FUND FICA & MEDI TAXES-PAY 5/11/12	10,934.39
W0000685	05/15/12	120603	CAL-PUBLIC EMPLOYEE RETIREMENT RTRMT PYMT-5/11/12 NORMAL PAY	58,765.32

12J

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
W0000686	05/29/12	120603	CITY OF BELL PAYROLL FUND FICA & MEDI TAXES-PAY 5/25/12	10,858.72
W0000687	05/30/12	120603	CAL-PUBLIC EMPLOYEE RETIREMENT RTMT PYMT-5/25/12 NORMAL PAY	58,517.49
TOTAL	4 WIRES			139,075.92
TOTAL				817,549.64

12K

Successor Agency to the Bell Community Redevelopment Agency

Warrants for

June 6, 2012

12:L

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
5490	05/31/12	120612	VOID VOID-TEST PRINT	0.00
5491	05/31/12	120612	VOID VOID-TEST PRINT	0.00
5492	05/31/12	120612	ROSENOW SPEVACEK GROUP PROF SVCS-SUCCESSOR TRANSITION	9,685.00
TOTAL	3 CHECKS			9,685.00

12M

Bell Community Housing Authority

Warrants for

June 6, 2012

12:N

HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
1876	05/24/12	120621	VOID VOID--TEST PRINT	0.00
1877	05/24/12	120621	VOID VOID--TEST PRINT	0.00
1878	05/24/12	120631	AT&T TELEPHONE BILLING-4/4-5/3/12 BMHP	123.04
1879	05/24/12	120631	L.A. COUNTY SHERIFF'S DEPT. WRIT OF POSSESSION-BMHP#100	125.00
1880	05/24/12	120631	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-3/30-4/27 5162 FLORENCE AVE	1,281.53
1881	05/24/12	120631	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-3/30-4/30 5162 FLORENCE AVE	4,388.87
1882	05/31/12	120621	VOID VOID--TEST PRINT	0.00
1883	05/31/12	120621	VOID VOID--TEST PRINT	0.00
1884	05/31/12	120621	THE GAS COMPANY GAS BILLING-4/12-5/11/12 6633 PINE AVE-LAUNDRY GAS BILLING-4/12-5/11/12 4209 BELL AVE	29.08
1885	05/31/12	120621	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-4/19-5/18 6304 KING AVE ELECTRICAL BILLING-4/13-5/15 6714 OTIS AVE ELECTICAL BILLING-4/13-5/14/12 6624 FLORA AVE APT I	22.62
1886	05/31/12	120621	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-4/13-5/14 6633 PINE AVE	44.87
1887	05/31/12	120631	AT&T TELEPHONE BILLING-4/4-5/3/12 FVMHP	151.39
1888	05/31/12	120631	THE GAS COMPANY GAS BILLING-4/11-5/10/12 4874 GAGE AVE-BMHP GAS BILLING-4/12-5/11/12 6503 WILCOX AVE-BMHP	862.38

HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
1889	05/31/12	120622	HECTOR TORRES VARIOUS REPAIRS-6624 FLORA #I CARPET/VERTICAL BLINDS	1,186.10
1890	05/31/12	120632	B A POOL TABLES POOL TABLE-BMHP	550.00
1891	05/31/12	120632	FIRST CHOICE MISC SUPPLIES-BMHP	131.62
1892	05/31/12	120632	MARTHA FONSECA MANAGEMENT SVCS-5/1-31/12 EVENINGS/WEEKENDS-FVMHP	585.00
1893	05/31/12	120632	BETSY GARCIA MANAGEMENT SVCS-MAY'12 BMHP	585.00
1894	05/31/12	120632	METERMAN SERVICES, INC METER READING-JUN'12 FVMHP	460.35
1895	05/31/12	120632	CHRISTINA PENA PETTY CASH REIMB-BCHA	161.63
1896	05/31/12	120632	TENANT SCREENING CENTER TENANT SCREENING-FVMHP J. ZAVALA, R. GUEVARA	130.00
TOTAL	21 CHECKS			10,818.48

City of Bell
Agenda Report

DATE: June 6, 2012

TO: Mayor and Members of the City Council

FROM: Debra Kurita, Interim Community Services Director
Steve Belcher, Interim Police Chief

APPROVED: _____
BY Arne Croce, Interim City Manager

SUBJECT: Adoption of an Ordinance establishing hours of operation for all City parks facilities.

RECOMMENDATION:

Adopt Ordinance No. 1187 on second reading:

AN ORDINANCE OF THE CITY OF BELL ESTABLISHING HOURS OF OPERATION AT ALL CITY PARK FACILIITES

BACKGROUND AND DISCUSSION:

The Bell Municipal Code (BMC) contains language in Section 30 of Chapter 12.38 that allows for the establishment of hours of operation at the Bell Skate Park either by resolution or as otherwise posted by the Chief Administrative Officer. However, there is no such provision in BMC Chapter 12.36 which details the regulations regarding the use of the other five park facilities in the City.

On May 16, 2012, the City Council considered and placed on first reading an ordinance that addresses this issue by establishing a provision in the Park Use Regulations using language that is identical to Section 30 of Chapter 12.38. The implementation of this provision will provide consistency in the administration of the parks, ensure that the public is informed of the hours of operation, and enhance the ability of public safety officers to ensure the public's safety by addressing nuisance activity or loitering after hours. The proposed action is the second and final reading of the ordinance.

Attachment: Ordinance No. 1187

AGENDA ITEM NO.

13

ORDINANCE NO. 1187

AN ORDINANCE OF THE CITY OF BELL ESTABLISHING HOURS OF OPERATION AT ALL CITY PARK FACILIITES

WHEREAS, the City of Bell, an urban community in Southeast Los Angeles County with a population density of 35,000 residents in a 2.5 square mile area and where, according to the United States Census Bureau, 33% of its inhabitants are under the age of 18, and

WHEREAS, the City of Bell takes great pride in offering its residents premier park facilities that include six parks of recreational and passive use, including Bianccini Pocket Park, Ernest Debs Park, the Skate Park, Little Bear Park, Treder Park, and Veterans' Memorial Park.; and

WHEREAS, Section 12.38.030 of the City of Bell Municipal Code pertains to the hours of operation at the City of Bell Public Skate Park; and

WHEREAS, there is no provision in the Bell Municipal Code governing the remaining parks; and

WHEREAS, it is beneficial for City of Bell park users to be informed of park hours and for the police department to have the tools to ensure the public's safety and to enforce park hours;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL DOES ORDAIN AS FOLLOWS:

SECTION 1. The hours of operation at all park facilities shall be established by resolution of the city council, or otherwise posted by the CAO. It shall be unlawful for any person to use or remain in such facilities in violation of this section without written consent of the department.

ADOPTED this ____day of ____ 2012

_____
Ali Saleh
Mayor

APPROVED AS TO FORM:

_____
David Aleshire
City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Patricia Healy, Interim City Clerk, do hereby attest to and certify that the attached Ordinance No. 1187 is the original ordinance adopted by the City Council of the City of Bell on _____, and that said ordinance was published in accordance with the provisions of the Charter of the City of Bell, and approved by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Patricia Healy, Interim City Clerk

City of Bell
Agenda Report

DATE: June 6, 2012

TO: Mayor and Members of the City Council

FROM: Debra Kurita, Interim Community Services Director

APPROVED

BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Continuation of Existing Bus Shelter Cleaning Contract

RECOMMENDATION:

Approve Amendment No.5 to the City of Bell and Graffiti Protective Coatings, Inc. Agreement that authorizes the provision of bus shelter cleaning services for the period beginning July 1, 2010 through such time as the City completes the bid process for continuation of services and the chosen provider begins service.

BACKGROUND AND DISCUSSION:

On May 16, 2012, the Mayor and City Council considered an agenda item recommending the release of Request for Proposals (RFP) for the sweeping of the City's streets, the cleaning and servicing of City of Bell's 43 bus shelters and the pressure washing of the sidewalks in the commercial areas. All three of these services are currently being provided by Graffiti Protective Coatings, Inc. (GPC) under the following agreements: Street Sweeping November 18, 2002 and amendment, Bus Shelter Cleaning May 17, 1999 and amendments and Sidewalk Cleaning-May 17, 1999 and amendments. These agreements have expired and the services are now being provided on a month to month basis.

Additionally, with that item, staff had recommended the approval of an amendment to the agreement with GPC, for bus shelter services from July 1, 2010, the date of expiration of the most current agreement, to such time as a new contract is in place. This is necessary because a portion of the City's Proposition A funds is allocated to these expenditures and to be in compliance with the funding agency's regulations the agreement needs to be current.

During the presentation and discussion of the item, the focus was on the action necessary to release the RFP; the action to approve the amendment to the agreement was not included in the Council approval. Therefore, in order to be in compliance with the requirements of the funding source for the bus shelter cleaning, staff again recommends the approval of the proposed amendment to the Agreement.

FINANCIAL IMPACT

The funds for this program are currently budgeted as follows: $53,000 in the Sanitation Fund (account no. 08-525-5018-0235) and $25,000 in the Proposition A Fund (account no. 70-521-0704-0235). In the 2012-13 fiscal year budget, the entire $78,000 for this service is budgeted in the Proposition A Fund. The Proposition A funds, which are generated by the local return of county wide sales tax, are restricted for use for transit related items. The Sanitation Fund monies can also only be used for the purposes specified in the establishment of the fund.

Attachment:

Amendment No. 5 to Agreement with Graffiti Protective Coatings, Inc.
Agreement with Graffiti Protective Coatings, Inc and Amendments 1-4

17

AMENDMENT NO. 5 TO
CITY OF BELL AND GRAFFITI PROTECTIVE COATINGS, INC.
AGREEMENT FOR BUS SHELTER CLEANING SERVICES

This AMENDMENT NO. 5 TO CITY OF BELL AND GRAFFITI PROTECTIVE COATINGS, INC. AGREEMENT FOR BUS SHELTER CLEANING SERVICES ("Amendment") is made and entered into effective as of July 1, 2010 ("Effective Date") by and between the City of Bell, a municipal corporation (the "City") and Graffiti Protective Coatings, Inc., a California corporation ("GPC"). The City and GPC are hereinafter collectively referred to as "Parties".

RECITALS

A. On or about May 17 1999, an Agreement regarding "Professional Services" by and between the City and GPC, hereinafter referred to as "Agreement," was executed between the City of Bell and GPC for the provision of specialized services as an independent contractor to clean bus shelters and bus stops within the City of Bell.

B. On or about June 25, 2001, the City and GPC executed an Amendment No.1 to Agreement extending the term to June 30, 2002.

C. On or about June 17, 2002 the City and GPC executed an Amendment No.2 to the Agreement extending the term to June 30, 2003.

D. On or about June 16, 2003 the City and GPC executed an Amendment No.3 to the Agreement extending the term to June 30, 2004.

E. On or about July 18, 2005 the City and GPC executed an Amendment No.2 to the Agreement extending the term to June 30, 2010.

F. The City will initiate a bid process for a new bus shelter vendor on or about May 16, 2012. GPC has been included in the vendor list.

G. GPC has continued to provide service after July 1, 2010 and the parties now desire to enter into this amendment to extend the existing Agreement until the City completes a bid process for continuation of services.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth, the Parties agree as follows:

Section 1. "Term" is added and shall read, in its entirety:

The term of this Agreement shall begin on July 1, 2010 and shall continue on a month-to-month basis until terminated in accordance with Section 14 of the Agreement.

At the end of the Term, or in the event this Agreement is terminated in accordance with Section 14, GPC shall cooperate fully with City and any subsequent bus shelter cleaning service provider to assure a smooth transition of services.

Section 2. GPC shall comply with all applicable provisions of the California Labor Code concerning payment of prevailing wages and employment of apprentices. GPC may be required to submit weekly payroll to the City to verify GPC's compliance with the above requirements.

Section 3. All other terms and conditions of the Agreement shall remain in full force and effect unless specifically modified by this Amendment.

WITNESS THE EXECUTION HEREOF, on the day and year first hereinabove written.

City	**Contractor**
CITY OF BELL, a municipal corporation	Graffiti Protective Coatings, Inc. a California corporation
By:	By:
Ali Saleh Its: Mayor	Carla Lenhoss Its: President

APPROVE AS TO FORM:

David Aleshire
City Attorney

ATTEST:

By:

Patricia Healy
Interim City Clerk

CLEANING

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is entered into this 17th day of May. 1999 by and between the CITY OF BELL, a municipal corporation (hereinafter referred to as "CITY") and GRAFFITI PROTECTIVE COATINGS, INC., a California corporation (hereinafter referred to as "GPC").

The parties do agree as follows:

SECTION 1. RECITAL.

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

A CITY on May 17, 1999 considered and approved the proposal from GPC for professional services including but not limited to, cleaning bus shelters and bus stops within the City.

B CITY desires to have a highly qualified company to perform such services.

C GPC represents that it is qualified to perform such services and has agreed to do so pursuant to this Agreement; and

D CITY desires to contract with GPC beginning May 1, 1999 on the following terms and conditions.

SECTION 2. EMPLOYMENT.

CITY hereby employs GPC and GPC hereby accepts such employment, to perform those services under this Agreement.

SECTION 3. INDEPENDENT CONTRACTOR.

The parties hereby acknowledge that GPC is an independent contractor and shall not be considered to be an employee of CITY.

SECTION 4. PRINCIPAL REPRESENTATIVE

The Chief Administrative Officer or his/her designee shall be the principal representative of CITY for purposes of this Agreement.

SECTION 5. GPC NOT AGENT OF CITY.

A. GPC shall have no authority, expressed or implied, to act on behalf of CITY in any capacity whatsoever as an agent.

B. GPC shall have no authority, express or implied, pursuant to this Agreement to bind CITY to any obligation whatsoever.

SECTION 6. SCOPE OF SERVICES.

GPC will diligently perform cleaning of all Bus Shelters and Bus Stops Citywide to maintain sanitary conditions. Work shall be performed every day of the year (seven days a week) except for the following four days: January 1st, July 4th, Thanksgiving Day and December 25th only. Specifications for cleaning of Bus Shelters and Bus Stops shall be as follows:

1. Remove all graffiti from shelters (including, but not limited to, four poles, bench and entire roof area), refuse receptacles (top, bottom and on all sides) and sidewalk within a seven foot perimeter of shelter on public right of way;
2. Empty refuse receptacles and replace liners as needed;
3. Steam Clean (all pressure washing equipment used will be a minimum of 5 gallons per minute, 3,000 PSI and produce a temperature of not less than a minimum of 180 degrees) entire area around bus shelters and bus stops within a seven-foot perimeter of shelter on public right-of-way, removing all debris including but not limited to gum, grease and stains.
4. Rinse entire shelter area including, but not limited to, refuse receptacle (top, bottom and all sides), poles, roof and bench with deionized water.

SECTION 7. STANDARD OF PERFORMANCE.

GPC shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which GPC is engaged in the geographical area in which GPC practices his or her profession.

SECTION 8. TIME.

A. GPC shall devote such time to the performance of services pursuant to the Agreement as may be reasonably necessary for satisfactory performance of GPC's obligations pursuant to Section 6 of this Agreement.

B. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

C. If GPC has been delayed and as a result will be unable, in the opinion of the Chief Administrative Officer or his/her designee, to complete performance fully and satisfactorily within the time fixed for performance, GPC, upon submission of evidence of the causes of delay, satisfactory to the Chief Administrative Officer or his/her designee, shall in the discretion of the Chief Administrative Officer or his/her designee, be granted an extension of time.

SECTION 9. QUALIFICATIONS.

A. GPC represents and warrants to CITY that it has all necessary professional licenses and/or certificates to legally perform the services under this Agreement.

B. GPC represents and warrants to CITY that GPC shall, at his sole cost and expense, keep in effect or obtain at all times during the term of this Agreement all necessary licenses and certificates required of GPC to perform the services.

SECTION 10. COMPENSATION.

A. GPC will perform those tasks and deliver the services described in this Agreement, in accordance with the terms and provisions of this Agreement for a total contract price not to exceed Five Thousand Eight Hundred Dollars ($5,800) per month.

B. Authorized work shall be in strict compliance with the provisions of this Agreement. GPC shall provide all labor, materials and equipment, as necessary to perform the services under this Agreement without any additional charge or compensation. GPC shall not charge for travel time or break time.

SECTION 11. BILLING.

A. Fees for services shall be billed on a monthly basis. Each invoice will contain detailed worksheets of the day, times, and locations of the work performed in a format which is acceptable to the CITY.

B. CITY shall withhold payment for any expenditure not substantiated by GPC's books and records.

C. In the event CITY has made payment for expenditures that are not allowed, as determined by CITY's audit, GPC shall reimburse CITY for the amount of the unallowed expenditures.

D. CITY shall make no payment for any extra, further, or additional services pursuant to this Agreement unless such extra service and the price thereof is agreed to in writing and executed by the Chief Administrative Officer or his/her designee prior to the time that such extra service is rendered.

SECTION 12. COMPENSATION WITHHELD.

A. When the Chief Administrative Officer or his/her designee shall have reasonable grounds for believing that GPC will be unable to perform this Agreement fully and satisfactorily within the time fixed for performance; or a meritorious claim exists or will exist against GPC or CITY arising out of the negligence of GPC or GPC's breach of any provision of this Agreement, then the Chief Administrative Officer or his/her designee may withhold payment of any amount otherwise due and payable to GPC under this Agreement.

B. Any amount so withheld may be retained by CITY for that period as it may deem advisable to protect CITY against any loss and may, after written notice to GPC, be applied in satisfaction of any claim described here.

D. This provision is intended solely for the benefit of CITY and no person shall have any right against the Chief Administrative Officer or his/her designee or claim against CITY by reason of the Chief Administrative Officer or his/her designee's failure or refusal to withhold monies.

E. No interest shall be payable by CITY on any amounts withheld under this provision.

F. This provision is not intended to limit or in any way prejudice any other right of CITY.

SECTION 13. RIGHT TO AUDIT AND INSPECT.

CITY shall have the right to audit and inspect all books and records kept by GPC in connection with the operation and services performed under this Agreement.

SECTION 14. RIGHT OF TERMINATION.

A. This Agreement may be terminated by either party with or without cause, upon ninety (90) days written notice to the other party.

B. All work shall cease at the conclusion of the notice period and GPC shall be paid for all services provided prior to termination in accordance with the rates as provided in this Agreement.

SECTION 15. INDEMNITY.

GPC hereby agrees to and does indemnify, defend and hold harmless CITY, and any and all of their respective officers, employees and representatives from any and all claims, liability and expenses, including attorney fees and costs, that arise out of or are related to GPC's negligent performance of this Agreement.

SECTION 16. GPC's LIABILITY FOR PUBLIC LIABILITY AND PROPERTY DAMAGE.

GPC shall assume all responsibility for damages to property or injuries to persons, including accidental death, which may be caused by GPC's negligent performance of this Agreement, whether such performance be by themselves, or their agents, or whether such damage shall accrue or be discovered before or after termination of this Agreement.

SECTION 17. LIABILITIES.

A. GPC shall not assert any claim arising out of any act or omission by any officer, agent, or employee of CITY in the execution or performance of this Agreement against that officer, agent or employee.

B. Nothing in this Agreement shall be construed to give any person other than CITY and GPC any legal or equitable rights, remedy or claim under this Agreement.

SECTION 18. CONFLICT OF INTEREST.

A. GPC covenants that neither it nor any officer of the corporation, or partnership, as the case may be, has any interest, nor shall they acquire any interest, directly or indirectly, which would conflict in any manner with the performance of GPC's services under this Agreement.

B. GPC further agrees that in the performance of this Agreement, no person having an interest of the above nature shall be employed by him or her.

SECTION 19. NOTICES.

A. Notices pursuant to this Agreement shall be given by personal service or by deposit of the same in the custody of the United States Postal Service, postage prepaid, addressed as follows:

TO CITY

CITY CLERK
City of Bell
6330 Pine Avenue
Bell, California 90201

TO GPC: Graffiti Protective Coatings, Inc.
419 Larchmont Blvd., #214
Los Angeles, California 90004

B. Notices shall be deemed to be given as of the date of personal service, or two (2) days following the deposit of the same by first class mail in the course of transmission of the United States Postal Service.

SECTION 20. BINDING EFFECT.

This Agreement shall be binding upon the parties hereto and their successors in interest.

SECTION 21. ASSIGNMENT.

A. GPC shall not assign, transfer, convey, pledge or otherwise dispose of its rights or obligations hereunder, except the payment of funds from CITY, without prior written consent of CITY.

B. The consent of CITY to an assignment shall not be unreasonably withheld, but prior to approving any assignment involving the performance of any obligations pursuant to this Agreement, CITY shall be satisfied by competent evidence that the assignee is financially able and technically qualified to perform those services proposed to be assigned.

C. In the event of such assignment, CITY may condition the same so as to ensure compliance with the provisions of this Agreement.

SECTION 22. COMPLIANCE WITH LAWS.

GPC shall comply with all applicable laws in performing its obligations under this Agreement.

SECTION 23. INSURANCE.

A. GPC shall obtain and maintain at its expense, during the term of this Agreement, all necessary insurance for its employees engaged in the performance of this Agreement, including, but not limited to worker's compensation insurance.

B. GPC shall obtain and maintain at its expense, during the term of this Agreement, comprehensive general liability insurance with coverage of not less than $1,000,000.00 combined single limit per occurrence for bodily injury, personal injury and property damage. GPC shall cause CITY, its officers, employees, and agents, to be named as an additional insured on said policy and shall obtain a waiver of the insurer's right of subrogation against CITY.

C. For all vehicles operated by GPC to provide services under this Agreement, Business Auto Coverage under standard ISO form including symbol 1 (All Auto) auto coverage with limits of no less than $1,000,000.00 and scheduled under any umbrella policy.

D. GPC shall provide CITY with written proof of the existence of such insurance and the commitment of the insurance carrier to notify CITY is writing 30 days before the cancellation of such insurance. All insurance coverage required here to apply on a primary non-contributing basis in relation to any insurance or self-insurance available or applicable to CITY.

SECTION 24. DISCRIMINATION.

A. GPC agrees that no person shall be excluded from employment in the performance of this Agreement on grounds of race, creed, color, sex, age, handicap or marital status, or place of national origin.

B. GPC agrees to comply with all County, State and Federal laws relating to equal employment opportunity rights.

SECTION 25. ENTIRETY OF AGREEMENT.

This Agreement contains the entire Agreement of CITY and GPC with respect to the subject matter hereof, and no other Agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party, which is not contained in this Agreement shall be binding or valid.

SECTION 26. ATTORNEYS FEES.

In the event that any action or proceeding is instituted for the breach of this Agreement, the prevailing party shall be entitled to reasonable attorneys fees.

SECTION 27. CONSISTENCY WITH CURRENT LAW.

A. It is the intent and understanding of the parties to this Agreement that every provision of law required to be inserted in this Agreement is inserted here.

B. If through mistakes or otherwise, any of those provisions are not inserted in correct form, then this Agreement shall upon application of either party, be amended by insertion so as to comply strictly with the law and without prejudice to the rights of either party.

C. If this Agreement contains any unlawful provisions, not an essential part of the Agreement and which appear not to have been a controlling or material inducement to the making of this Agreement, those provisions shall be deemed of no effect, and shall upon application of either party be stricken from the Agreement without affecting the binding force of the Agreement as it shall remain after omitting those provisions.

SECTION 28. VENUE.

In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the State courts of the County of Los Angeles or where appropriate, in the United States District Court, Southern District of California, Los Angeles, California.

SECTION 29. INTERNAL INCONSISTENCIES.

If this Agreement contains any errors, inconsistencies, ambiguities, or discrepancies, including typographical errors, GPC shall request a clarification of those items by writing to the Chief Administrative Officer whose decision shall be binding upon the parties.

SECTION 30. CAPTIONS AND HEADNOTES.

The captions and headnotes or sections of this Agreement, and marginal notes are intended for convenience and reference purposes only and in no way define, limit or describe the scope or intent of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly authorized and executed by the parties hereto on the day and year first herein above written.

"CITY"
City of Bell

By:

"GPC"
Graffiti Protective Coatings, Inc.

By:

IN WITNESS WHEREOF, this Agreement has been duly authorized and executed by the parties hereto on the day and year first herein above written.

"CITY"
City of Bell

By: George Francis Bass

"GPC"
Graffiti Protective Coatings, Inc.

By:_____

Rolf Janssen • *Mayor*
Victor Bello • *Mayor Pro Tem*
George Francis Bass • *Councilman*
George Cole • *Councilman*
Teresa Jacobo • *Councilwoman*

THE
CITY OF BELL

6330 Pine Avenue
Bell, CA 90201 - 1291
(323) 588 - 6211
Fax: (323) 771 - 9473

June 26, 2001

Graffiti Protective Coatings, Inc.
419 N. Larchmont Blvd. Unit 214
Los Angeles, CA 90004

RE: Agreement by and between City of Bell and Graffiti Protective Coatings, Inc.

Dear Sir or Madam:

Attached you will find two (2) executed Agreements for Professional Services by and between the City of Bell and Graffiti Protective Coatings, Inc. Amendment No. 1 for *Bus Shelter Cleaning*.

Upon receipt, please sign both agreements. Retain one agreement for your files and mail the second original to the following address:

City of Bell
Theresa Diaz,
Management Analyst
6330 Pine Avenue
Bell, California 90201

If you have any questions regarding the enclosed, please feel free to contact me at (323) 588-6211 extension 217.

Very truly yours

Theresa Diaz
Management Analyst

ENCLOSURE (2)

Copy

AGREEMENT FOR PROFESSIONAL SERVICES
BY AND BETWEEN
THE CITY OF BELL
AND
GRAFFITI PROTECTIVE COATINGS, INC.
(Bus Shelter Cleaning)

AMENDMENT NO. 1

This AMENDMENT is made and entered into this 25 day of June, 2001, by and between the City of Bell, a municipal corporation (hereinafter referred to as "City") and Graffiti Protective Coatings, Inc., a California corporation (hereinafter referred to as "GPC").

WITNESSETH

WHEREAS, the City and GPC have entered into that certain Agreement for Professional Services, dated May 17, 1999 (the "Agreement"), for GPC to provide specialized services as an independent contractor to clean bus shelters and bus stops within the City of Bell; and

WHEREAS, the City desires to continue in the use of GPC's services to clean bus shelters and bus stops.

THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. The term of the Agreement is hereby amended to commence on July 1, 2001 and shall terminate on June 30, 2002.

SECTION 2. GPC will perform those tasks and deliver the services described in the Agreement for a total contract price of $32.50 per hour, not to exceed Five Thousand Eight Hundred Dollars ($5,800.00) per month.

SECTION 3. GPC shall comply with all applicable provisions of the California Labor Code concerning payment of prevailing wages and employment of apprentices. GPC may be required to submit weekly payroll to the City to verify GPC's compliance with the above requirements.

SECTION 4. All other terms and conditions of the Agreement shall remain in full force and effect unless specifically modified by this Amendment.

WITNESS THE EXECUTION HEREOF, on the day and year first hereinabove written.

City

CITY OF BELL,
a municipal corporation

By: _____
Rolf Janssen
Its: Mayor

GPC

Graffiti Protective Coatings, Inc.
a California corporation

By: _____
Barry Steinhart
Its: President

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

68841.1

AGREEMENT FOR PROFESSIONAL SERVICES
BY AND BETWEEN
THE CITY OF BELL
AND
GRAFFITI PROTECTIVE COATINGS, INC.
(Bus Shelter Cleaning)

AMENDMENT NO. 2

This AMENDMENT is made and entered into this 17 day of June, 2002, by and between the City of Bell, a municipal corporation (hereinafter referred to as "City") and Graffiti Protective Coatings, Inc., a California corporation (hereinafter referred to as "GPC").

WITNESSETH

WHEREAS, the City and GPC have entered into that certain Agreement for Professional Services, dated May 17, 1999 (the "Agreement"), for GPC to provide specialized services as an independent contractor to clean bus shelters and bus stops within the City of Bell; and

WHEREAS, the City desires to continue in the use of GPC's services to clean bus shelters and bus stops.

THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. The term of the Agreement is hereby amended to commence on July 1, 2002 and shall terminate on June 30, 2003.

SECTION 2. GPC will perform those tasks and deliver the services described in the Agreement for a total contract price of $32.50 per hour, not to exceed Five Thousand Eight Hundred Dollars ($5,800.00) per month.

SECTION 3. GPC shall comply with all applicable provisions of the California Labor Code concerning payment of prevailing wages and employment of apprentices. GPC may be required to submit weekly payroll to the City to verify GPC's compliance with the above requirements.

SECTION 4. All other terms and conditions of the Agreement shall remain in full force and effect unless specifically modified by this Amendment.

WITNESS THE EXECUTION HEREOF, on the day and year first hereinabove written.

City

CITY OF BELL,
a municipal corporation

By: George Francis Bass
George Francis Bass
Its: Mayor Pro Tem

GPC

Graffiti Protective Coatings, Inc.
a California corporation

By: _____
Carla ~~Steinhart~~ LENHOFF
Its: President

ATTEST:

By: _____
Theresa Diaz, City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

68841.1

AGREEMENT FOR PROFESSIONAL SERVICES
BY AND BETWEEN
THE CITY OF BELL
AND
GRAFFITI PROTECTIVE COATINGS, INC.
(Bus Shelter Cleaning)

AMENDMENT NO. 3

This AMENDMENT is made and entered into this 16 day of June, 2003, by and between the City of Bell, a municipal corporation (hereinafter referred to as "City") and Graffiti Protective Coatings, Inc., a California corporation (hereinafter referred to as "GPC").

WITNESSETH

WHEREAS, the City and GPC have entered into that certain Agreement for Professional Services, dated May 17, 1999 (the "Agreement"), for GPC to provide specialized services as an independent contractor to clean bus shelters and bus stops within the City of Bell; and

WHEREAS, the City desires to continue in the use of GPC's services to clean bus shelters and bus stops.

THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. The term of the Agreement is hereby amended to commence on July 1, 2003 and shall terminate on June 30, 2004.

SECTION 2. GPC will perform those tasks and deliver the services described in the Agreement for a total contract price of $32.50 per hour, not to exceed Six Thousand Dollars ($6,000.00) per month.

SECTION 3. GPC shall comply with all applicable provisions of the California Labor Code concerning payment of prevailing wages and employment of apprentices. GPC may be required to submit weekly payroll to the City to verify GPC's compliance with the above requirements.

SECTION 4. All other terms and conditions of the Agreement shall remain in full force and effect unless specifically modified by this Amendment.

WITNESS THE EXECUTION HEREOF, on the day and year first hereinabove written.

City

CITY OF BELL,
a municipal corporation

By: _____
Teresa Jacobo
Its: Mayor

GPC

Graffiti Protective Coatings, Inc.
a California corporation

By: _____
Carla Steinhart
Its: President

ATTEST:

By: _____
Theresa Diaz, City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

68841.1

AGREEMENT FOR PROFESSIONAL SERVICES
BY AND BETWEEN
THE CITY OF BELL
AND
GRAFFITI PROTECTIVE COATINGS, INC.
(Bus Shelter Cleaning)

AMENDMENT NO. 4

This AMENDMENT is made and entered into this 18 day of July, 2005, by and between the City of Bell, a municipal corporation (hereinafter referred to as "City") and Graffiti Protective Coatings, Inc., a California corporation (hereinafter referred to as "GPC").

WITNESSETH

WHEREAS, the City and GPC have entered into that certain Agreement for Professional Services, dated May 17, 1999 (the "Agreement"), for GPC to provide specialized services as an independent contractor to clean bus shelters and bus stops within the City of Bell; and

WHEREAS, the City desires to continue in the use of GPC's services to clean bus shelters and bus stops.

THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. The term of the Agreement is hereby amended to commence on July 1, 2005 and shall terminate on June 30, 2010.

SECTION 2. GPC shall comply with all applicable provisions of the California Labor Code concerning payment of prevailing wages and employment of apprentices. GPC may be required to submit weekly payroll to the City to verify GPC's compliance with the above requirements.

SECTION 3. All other terms and conditions of the Agreement shall remain in full force and effect unless specifically modified by this Amendment.

WITNESS THE EXECUTION HEREOF, on the day and year first hereinabove written.

City

CITY OF BELL,
a municipal corporation

By: George Mirabal
George Mirabal
Its: Mayor

ATTEST:

By: Rebecca Valdez
Rebecca Valdez
City Clerk

GPC

Graffiti Protective Coatings, Inc.
a California corporation

By:
Carla Lenhoss
Its: President

City of Bell
Agenda Report

DATE: June 6, 2012

TO: Mayor and Members of the City Council

FROM: Debra Kurita, Interim Community Services Director

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Community Development Block Grant Administration Services Agreement Renewal

RECOMMENDATION:

Approve an Agreement with SJC3 Consulting for Community Development Block Grant Program Administration Services for FY 2012-13 with an option for a one-year extension in an amount not to exceed $46,080 annually.

BACKGROUND AND DISCUSSION:

In 1974, the U.S. Congress introduced the Community Development Block Grant (CDBG) Program as part of the Housing and Community Development Act. The CDBG program is funded by the U.S. Department of Housing and Urban Development (HUD). Although the Act has been amended in recent years, the primary objective continues to be developing viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for low- and moderate-income persons.

The CDBG Program has three primary objectives:

- Benefit those with low- and moderate-incomes;
- Aid in preventing neighborhood deterioration; and
- Meet other urgent community development needs due to natural disasters or other emergencies.

The CDBG funding for smaller cities, those with a population under 50,000, is administered through counties; the City of Bell's funding is programmed through the Los Angeles County Community Development Commission (LACDC). The funding allocation for cities is calculated by a population-based formula; the City of Bell's annual amount of new CDBG funds for 2012-13 is $467,230. In addition to the allocation of new CDBG funds, the City has annually received an appropriation of prior year's funds.

Over the past 20 years, the administration of the CDBG program has been implemented by staff with the assistance from consultants specializing in this process. There are a number of restrictions and requirements related to programs eligible for CDBG funding. One of these requirements is that contracted services undergo a bidding process at least every three years.

In December 2011, after a competitive Request for Proposals process, the City Council awarded a contract to SJC3 Consulting to provide CDBG Program Administration services for the remainder of the 2011-12 fiscal year. SJC3 Consulting has been performing these services

AGENDA ITEM NO.

40

exceptionally well during the past five months. As a result, staff recommends renewing the contract for the 2012-13 fiscal year with an option to extend the agreement through the 2013-14 fiscal year based on performance and availability of funds. It is recommended that the agreement be awarded in an amount not to exceed $46,080, which maintains the current rate of $80.00 per hour.

FINANCIAL IMPACT

Funds for this contract will be allocated to the appropriate CDBG funded programs; there is no impact to the General Fund.

CITY OF BELL

CONTRACT SERVICES AGREEMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM ADMINISTRATION SERVICES AND TECHNICAL ASSISTANCE SJC3 CONSULTING

THIS CONTRACT SERVICES AGREEMENT (herein "Agreement") is made and entered into this ____1sr___ day of _____July_____, 2012, by and between the CITY OF BELL, a California municipal corporation herein ("City") and SJC3 (herein "Consultant").

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all of the terms and conditions of this Agreement, the Consultant shall perform the work or services set forth in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by reference. Consultant warrants that it has the experience and ability to perform all work and services required hereunder and that it shall diligently perform such work and services in a professional and satisfactory manner.

1.2 Compliance With Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency of competent jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by the Agreement.

1.4 Warranty. The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence. Consultant warrants all work under the Agreement to be of good quality and free from any defective or faulty material and workmanship. Consultant agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the work, whichever is later) after the date of final acceptance, Consultant shall within ten (10) days after being notified in writing by the City of any defect in the work or nonconformance of the work to

the Agreement, commence and prosecute with due diligence all work necessary to fulfill the terms of the warranty at his sole cost and expense. The 1-year warranty may be waived in Exhibit "A" if the services hereunder do not include construction of any improvements or the supplying of equipment or materials.

2. COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "B" and incorporated herein by this reference, but not exceeding the maximum contract amount of Twenty forty six thousand and eighty Dollars ($46,080) per Fiscal Year in Community Development Block Grant Funds without prior authorization.

2.2 Invoices. Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-Consultant contracts. Sub-Consultant charges shall also be detailed by such categories.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City. City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.

2.3 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum but not exceeding a total contract amount of $50,688 or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City.

2.4 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public Works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall determine the applicable prevailing rates and make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the

Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The provisions of this Section may be waived in Exhibit "A" if inapplicable to the serves provided hereunder.

3. PERFORMANCE SCHEDULE

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

3.2 Reserved.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Agency, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Inspection and Final Acceptance. City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's work within forty five (45) days after submitted to City. City shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Article 5, pertaining to indemnification and insurance, respectively.

3.5 Term. Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until June 30, 2013. This Agreement may be extended upon request and approval by the City on an annual basis for an additional twelve (12) months until June 30, 2014 based on the City's evaluation of the contractor's performance and the availability of funds.

4. COORDINATION OF WORK

4.1 Representative of Consultant. Ms. Regina Collins is hereby designated as being the representative of Consultant authorized to act in its behalf with respect to the work and services specified herein and make all decisions in connection therewith. All personnel of Consultant and any authorized agents shall be under the exclusive direction of the representative of Consultant. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, and shall keep City informed of any changes.

4.2 Contract Officer. The Community Services Director is hereby designated as being the representative the City authorized to act in its behalf with respect to the work and services specified herein and to make all decisions in connection therewith ("Contract Officer"). The Chief Administrative Officer of City shall have the right to designate another Contract Officer by providing written notice to Consultant.

4.3 Prohibition Against Subcontracting or Assignment. Consultant shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the City. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of City. Any such prohibited assignment or transfer shall be void.

4.4 Independent Consultant. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth. Consultant shall perform all services required herein as an independent Consultant of City with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City, or that it is a member of a joint enterprise with City.

5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages. The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than $1,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Consultant and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than either (i) bodily injury liability limits of $100,000 per person and $300,000 per occurrence and property damage liability limits of $150,000 per occurrence or (ii) combined single limit liability of $1,000,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the City's Interim Chief Administrative Officer or other designee of the City due to unique circumstances.

5.2 Indemnification. To the full extent provided by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents against, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, including paying any legal costs, attorneys fees, or paying any judgment (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work or services of Consultant, its officers, agents, employees, agents, subcontractors, or invitees, provided for herein ("indemnitors"), or arising from Consultant's indemnitors' negligent performance of or failure to perform any term, provision, covenant, or condition of this Agreement, except claims or liabilities to the extent caused by the negligence or willful misconduct of the City indemnitees.

5.3 General Insurance Requirements. All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance

in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records. Consultant shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services and shall keep such records for a period of three years following completion of the services hereunder. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records.

6.2 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement or as the Contract Officer shall require.

7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law. This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California.

7.2 Disputes; Default. In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article.

7.3 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or

different times, of any other rights or remedies for the same default or any other default by the other party.

7.4 Termination Prior to Expiration of Term. This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to Agency, except that where termination is due to the fault of the Agency, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder, but not exceeding the compensation provided therefore in the Schedule of Compensation Exhibit "B". In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.5 Termination for Default of Consultant. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.
4450 E. 60th St

8. FEDERAL REQUIRMENTS

8.1 EQUAL EMPLOYMENT OPPORTUNITY CLAUSE. During the Performance of this Agreement, the Consultant agrees as follows:

8.2 The Consultant will not discriminate against any employee or applicant of reemployment because of age, race, creed, sex, color or national origin. The Consultant will take affirmative action to ensure that the applicants are employed, and that employees are treated during employment, without regard to their age, race, creed, sex color or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; rates of pay of other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.

8.3 The Consultant will, in all solicitation of advertisement for employees be placed by or on behalf of the Consultant; state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color sex, or national origin.

8.4 The Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provision will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

8.5 The Consultant will comply with all provisions of the Executive Order 11246 of September 24, 1965 and of the rules, regulations, and relevant order of Secretary of Labor.

8.6 The Consultant will furnish all information and reports required by Executive Order 11246 of September 25, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the City and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

8.7 In the event of the Consultants non-compliance with the equal opportunity clauses o the Agreement or with any such rules, regulations or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Consultant maybe declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8.8 The Consultant will include the provisions of paragraph (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 2965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for non compliance; provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such directions by the City, the Consultant may request the United States to enter into such litigation to protect the interest of the United States.

8.9 CIVIL RIGHTS ACT OF 1964. Under Title VI the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program activity receiving federal financial assistance.

8.10 SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. No person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits, or be subjected to discrimination under any program or activity funded in whole in part with funds made available under this title.

8.11 AGE DISCRIMIATION ACT OF 1975 AND REHABILITATION ACT OF 1973. Any prohibition against discrimination of the basis of age under the Age

Discrimination Act of 1975, or with respect to an otherwise qualified handicapped individual, as provided in Section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.

8.12 "SECTION 3" COMPLIANCE IN THE PROVISION OF TRAINING, EMPLOYMENT AND BUSINESS OPPORTUNITIES. The work to be performed under this Agreement is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development and is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contract for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

8.13 The parties of the agreement will comply with the provision of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban development set forth in 24 CFR 135, and al applicable rules and orders of the Department issued there under prior to the execution of the Agreement. The parties to this Agreement Certify and agree that they are under contractual or other disability which would prevent them from complying with these requirements.

8.14 The Consultant will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding , if any, a notice advising the said labor organization of workers' representatives of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment of training.

8.15 The Consultant will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or receipt of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations under 24 CFR Pat 135 and will not let any subcontract unless the subcontractor has first provided him with a preliminary statement of availability to comply with the requirement of these regulations.

8.16 Compliance with provision of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the contract, shall be in condition of the federal financial assistance provide to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its Consultants and subcontractor, it successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanction as are specified by 24 CFR Part 135.

8.17 LOBBYING CERTIFICATION. The Consultant certifies that no Federal appropriated funds have been paid or will be paid, by or on behalf of the Consultant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an making of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.

8.18 The Consultant certifies that if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of any agency in connection with this Federal contract, grant, loan, or cooperative agreement, the Consultant shall complete and submit Standard Form-LLL," Disclosures Form to Report Lobbying." In accordance with its instructions.

8.19 The Consultant shall require that the language of this certification be included in all subcontracts and that all subcontractors shall certify and disclose accordingly.

9. COUNTY OF LOS ANGELES REQUIREMENT

9.1 The Consultant certifies that it is understood that each person/entity/firm who applies for a Community Development Commission contract, and as part of that process, shall certify that they are familiar with the requirements of Los Angeles County Chapter 2.160, (Los Angeles County Ordinance 93-0031) and;

9.2 That all persons/entities/firms acting on behalf of the above named firm have and will comply with the County Code, and;

9.3 That any person/entity/firm who seeks a contract with the Community Development Commission shall be disqualified therefrom and denied the contract and, shall be liable in civil action, if any lobbyist, lobbying firm, lobbyist employer or any other person or entity acting on behalf of the above named firm fails to comply with the provisions of the County Code.

10. MISCELLANEOUS

10.1 Business License The Consultant agrees to obtain a City of Bell Business License in order to provide services. This Business license shall be issued by the City of Bell's Business License Department upon approval of the Business License Application and payment of Business License Tax.

10.2 Covenant Against Discrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color creed, religion, sex, marital status, national origin, or ancestry.

10.3 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount, which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

10.4 Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the Chief Administrative Officer and to the attention of the Contract Officer, at City of Bell City Hall, 6330 Pine Avenue, Bell, California 90201 and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement.

10.5 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.6 Severability. In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

10.7 Waiver. No delay or omission in the exercise of any right or remedy by non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

10.8 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which any be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees, whether or not the matter proceeds to judgment.

10.9 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[Signatures on the following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF BELL, a municipal corporation

_____
Chief Administrative Officer

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

_____
David J. Aleshire, City Attorney

CONSULTANT: SJC3 Consulting

By:_____
Name: Regina Collins
Title: President and CEO

Address: 6320 Canoga Avenue Suite 1500

Woodland Hills, CA 91367

NOTE: CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

[END OF SIGNATURES]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2011 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER

☐ INDIVIDUAL
☐ CORPORATE OFFICER

_____
TITLE(S)

☐ PARTNER(S) ☐ LIMITED ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER_____

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

_____
_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
TITLE OR TYPE OF DOCUMENT

_____
NUMBER OF PAGES

_____
DATE OF DOCUMENT

_____
SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF

On _____, ____ before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER_____

_____

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

_____

_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
TITLE OR TYPE OF DOCUMENT

_____
NUMBER OF PAGES

_____
DATE OF DOCUMENT

_____
SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"
SCOPE OF SERVICES

1. Consultant will provide technical assistance for the administration and implementation of the City's project and activities.

   - Prepare CDBG documents including contracts, agreements, and amendments;
   - Prepare and publish hearing notices for citizen input on the allocation of Annual funds and/or any changes in the CDBG allocation of funds;
   - Prepare reports for City Council review and approval of CDBG projects and activities;
   - Prepare and submit annual Program Planning Summaries indicating the projects and budgets for the CDBG Program to the Community Development Commission;
   - Process CDBG Reimbursable Contract and Amendment;
   - Prepare and complete Community Development Commission reports and Documents, including the Quarterly Performance Report, labor standards report and Contract/Subcontract activity report; and
   - Keep the City informed about current County and HUD requirements for the CDBG Program, including, but not limited to, historical preservation clearance; environmental impact processing; and procurement guidelines for services, supplies and equipment.

2. Consultant will prepare City Council Reports and City Council Resolutions for agenda items pertaining to the Community Development Block Grant (CDBG) Program.

3. Consultant will prepare the agreements to implement projects including project descriptions and budgets.

   - Complete and submit all documents which describe the CDBG projects, funding amounts, program beneficiaries and project locations;
   - Prepare and process amendments for on-going projects; and
   - Prepare and publish public hearing notices for substantial changes in project description and or funding levels.

4. Consultant will prepare CDBG funding requests for each project.

   - Review payment requests and invoices for CDBG services, supplies, and equipment, if necessary;
   - Prepare and submit CDBG funding requests to the County each month; and
   - Monitor the drawdown of CDBG funds in order to comply with the CDC/HUD performance goals.

5. Consultant will coordinate with staff and gather all necessary files and documentation for program monitoring and audit preparation.

   - Develop and maintain all necessary documentation for CDBG monitoring and Single Audit; and
   - Assist County and Federal CDBG monitors during program performance reviews, and City auditors during Single Audit.

6. Consultant will act as City's liaison and representative to the Community Development Commission.

   - Coordinate program monitoring visits and audits;
   - Prepare responses to CDC correspondence and monitoring findings;
   - Submit inquiries for clarification and determinations on behalf of the City; and
   - Attend all mandatory trainings.

7. Consultant will ensure compliance with all applicable Federal, State and local laws and policies.

   - Keep updated copies of CDBG regulations and handbooks at City Hall;
   - Circulate CDBG information bulletins to City staff; and
   - Attend County and HUD seminars on program and regulatory changes.

8. Consultant will work with staff, LACDC, and HUD to ensure that the City is incompliance with all regulations, practices, and procedures.

EXHIBIT "B"

SCHEDLE OF COMPENSATION

I. Consultant shall perform the tasks as identified in Exhibit A.

II. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:

A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.

B. Line items for all materials and equipment properly charged to the Services.

C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.

III. The total compensation for the Services shall not exceed $46,080 as provided in Section 2.1 of this Agreement.

IV. The Consultant's billing rates for all personnel are $80 per hour for Principal and $75 per hour for Associates.

Mileage and Travel, if necessary and on approval of the City, will be paid in accordance with United States General Services Administration.

Contingencies, if necessary and upon City approval, will be paid on a time and material basis.

Council Agenda Report

June 6, 2012

TO: City Council

FROM: Arne Croce, Interim City Manager
Bill Statler, General Obligation Bond Work-Out Team

SUBJECT: GENERAL OBLIGATION BOND WORK-OUT PLAN IMPLEMENTATION

RECOMMENDATION

Adopt a resolution implementing the General Obligation bond work-out plan approved by the Council on December 14, 2011.

DISCUSSION

Overview

As discussed with the Council at its August 24, 2011 meeting, unless corrective action is taken, the City is facing the requirement next fiscal year (2012-13) to increase the property tax levy for the repayment of its General Obligation (G.O.) bonds from the existing amount of $2.1 million to $3.5 million – an increase of $1.4 million (over 70%). This would result in an estimated increase in the tax levy on property owners of $112 per $100,000 of assessed valuation (from $153 to $265).

In response to this, the Council approved a conceptual plan at that time to significantly mitigate the need for this increase: using the existing balance available from the bond proceeds (about $17.7 million) to reduce annual debt service requirements beginning next fiscal year and annually thereafter until all bonds are repaid. The Council also directed preparation of a comprehensive work-out plan based on this concept, which it later approved on December 14, 2011. As discussed in greater detail below, the plan includes attempting to purchase outstanding G.O. bonds directly from current bond holders ("tender offer") and then using the remaining available balance to fund an escrow account to pay bonds as they become due or redeem bonds that cannot be purchased until their first optional pre-payment (or "call") date on August 1, 2017 ("redemption").

This report recommends approval of actions and documents that will implement this plan. Under the proposed approach in structuring the revised debt service payments, it is possible that no tax rate increase will be needed next fiscal year or in the future. However, this cannot be guaranteed at this point. The actual rate will be depend on a number of factors that are outside of the control of the City, such as the market receptivity to the tender offer, interest rates on the escrow and the assessed valuation of taxable property for 2012-13 and beyond. That said, even if a modest increase is required, the resulting tax rate will be significantly lower than would otherwise be the case without implementation of the work-out plan.

The Council will formally set the G.O. bond property tax rate at the normal time in August 2012, when the results of the work-out and assessed valuation information for 2012-13 from the County are finalized.

Background

In 2003, voters approved the issuance of up to $70 million in G.O. bonds to fund various public improvements. As described in the ballot measure at the time and in the bond documents approved by the City, eligible improvements included expansion and improvement of the Bell Sports Complex, the Bell Community Center and other parks, recreational and cultural facilities throughout the community; and the construction of a new library, performing arts theater and public safety and civic facilities.

To-date, the City has issued $50 million in G.O. bonds under this authorization:

- $15 million in 2004 (30 year term)
- $35 million in 2007 (30 year term)

The City began levying property taxes for the repayment of the bonds in 2009, with gradual increases approved for three fiscal years (2009-10, 2010-11 and 2011-12). However, the amount levied in each year was insufficient to fully cover debt service payments. Bond proceeds were used to fund the portion of debt service not funded by property taxes. Through the end of 2011-12, about $5.6 million of the bond proceeds will have been used to fund annual debt service payments.

As noted above, unless corrective action is taken, the gap next year between the current levy ($2.1 million) and the required debt service payment ($3.5 million) is $1.4 million. Funding this difference, as required in the bond documents approved by the City, would mean an increase of over 70% in the property tax levy.

Tax Levy Mitigation Concept

The detailed work-out plan approved by the Council in December 2011 sets forth the following tax levy mitigation strategy:

- Do not pursue the remaining bond projects. Along with the desire to mitigate tax increases, there are several reasons for no longer pursuing these projects: the balance remaining is inadequate to fully fund them; there will be significant added operation and maintenance costs when they are completed that the City cannot afford; and community support for them is unclear, especially in light of fiscal challenges facing the City and the likelihood of changed priorities since the bond issuance was approved in 2003.

- Instead, use the available balance from the 2007 bond proceeds (estimated at this time at $17.7 million; all proceeds from the 2004 bonds have been expended) to reduce outstanding bonds, which will in turn result in reduced debt service payments and related tax levy requirements.

Actions Taken To-Date

The following summarizes actions taken to-date towards mitigating tax increases that would otherwise be required in making G.O. bond debt service payments:

Actions Taken to-Date	Date
• Conceptual Council approval of property tax mitigation strategy to use unspent bond proceeds in reducing the amount of outstanding G.O. bond debt; direction to prepare comprehensive work-out plan	8-24-11
• Selection of KNN Public Finance (KNN) by Council for Financial Advisor assistance in preparing the work-out plan	9-28-11
• Council approval of the work-out plan, including authorization for the City Manager to select and contract with Special Counsel for legal services	12-14-11
• Selection of Fulbright & Jaworski LLP to serve as work-out plan Special Counsel in connection with the tender offer and escrow documentation	2-26-12
• Receipt of report from Bond Communications Group identifying bond holders; initiation of drafting of tender and escrow redemption documents	4-9-12

As described more fully in the work-out plan approved by the Council in December 2011, the core Financing Team is now in place and consists of:

- ***KNN: Financial Advisor.*** Prepares financial analysis and work-out plan; coordinates plan execution.
- ***Fulbright & Jaworski LLP: Special Counsel.*** Provides legal advice and prepares implementing documents.
- ***Bond Communication Group: Tender Agent.*** Takes the lead responsibility in identifying bond holders and seeking their tender of bonds for repurchase by the City.
- ***U.S. Bank: Escrow Agent.*** Holds any escrowed funds as part of the payment and redemption escrow.
- ***Bill Statler: Project Manager.*** Serves as liaison between the City and project team.

Since assembling the Finance Team, key tasks completed include identifying current bond holders; analyzing existing debt service requirements and restructuring alternatives and preparing action steps; and drafting implementation documents, which are now ready for Council approval.

Work-Out Plan Concepts

As set forth in the work-out plan approved by the Council in December 2011, there are two basic approaches to reducing the amount of bonds outstanding and thus reducing annual debt service

and tax rate obligations: direct purchase from bondholders and redemption via escrow for the payment and redemption of outstanding bonds. As discussed in the plan, it is likely that a combination of both of these approaches will be used.

- ***Direct Purchase: "Tender Offer."*** With this approach, the City would purchase outstanding 2007 G.O. bonds directly from current bondholders, soliciting the sale of their bonds through a tender offer. This approach offers the largest potential for debt service cost reductions. However, success depends on market factors that are beyond the control of the City, since it is not possible to predict the level of bond holder interest in liquidating their bonds with the City.

- ***Redemption via Escrow.*** While the City has the right to pay-off some or all of its outstanding debt earlier than scheduled, it cannot do so until August 1, 2017. This is similar in concept to paying-off some or all of a mortgage balance sooner than the scheduled final payment date. However, similar to some mortgage prepayment conditions, there are limits on when bonds can be "redeemed" prior to the scheduled final payment date. The City's bonds incorporated standard optional call features, providing investors with ten years of early redemption protection.

  As noted above, the proceeds from the 2004 bond issue are fully expended, and as such, only the proceeds from the 2007 bond issue are available for the work-out plan implementation. (Under the bond covenants, the proceeds from 2007 bond issue cannot be used to reduce the amount of 2004 bonds outstanding.) Because of current low interest rate yields, the interest earnings on the escrow will be less than the interest on the bonds. This means that additional funds must be deposited to pay interest as well as principal. Due to these net "negative" earnings, the amount of bonds that will be redeemed through the escrow in 2017 will be less than the amount deposited at this time.

  For example, assuming that all of the available proceeds (estimated at $17.7 million) were used to implement the redemption approach, only about $14.5 million in bonds would be called in 2017 due to negative interest earnings. This $3.2 million difference between the amount placed in escrow in 2012 and the amount of bonds that would be subsequently redeemed in 2017 is the key reason that the tender offer may result in greater savings to the City. In short, a successful tender will increase the amount of bonds that can be called compared with the redemption approach, and thus result in lower debt service costs and larger reductions in the tax rate.

In redeeming bonds versus directly purchasing them through a tender offer, it is important to remember that the 2007 bonds were issued with various maturities, ranging from 2012 through 2037. Accordingly, the City will have two goals in the work-out: to purchase the bonds via tender at a favorable price; and to make sure that the specific bonds purchased are in the right maturities so that the remaining debt service is structured appropriately. The City will accept those tenders that meet its goals and place the remaining funds in escrow.

Accordingly, even if the tender offer is well-received by bondholders, it is likely that the work-out will include a combination of the two approaches, under which tender offers are accepted for a portion of the bonds, with the remaining proceeds placed in the redemption escrow.

Because it is not possible to predict the success of the tender offer, KNN's analysis below on the impact of the work-out plan on property tax rates conservatively assumes that all funds are used to fund the more costly redemption escrow approach.

It should be noted that the City is legally obligated to levy a property tax rate that fully covers its annual debt service payments. Technically, setting aside funds in the escrow account does not alter this requirement. While it is highly unlikely that bondholders will act to enforce this requirement if they are being fully paid, this cannot be guaranteed.

Determining Available Funds

Back in August 2011, we estimated that about $20 million would be available for tender/redemption in reducing annual debt service payments. This amount is now reduced to about $17.7 million for two reasons:

- ***Repaying State Park Grants.*** As the Council is aware, the State is seeking repayment of about $500,000 in park grants previously paid to the City. As summarized below, five individual grant projects are affected. The reasons that the State believes the City was ineligible to claim these funds varies for each project, ranging from project non-completion to competitive bidding concerns.

Potential State Grant Repayments	
Bell Community Health and Wellness	182,600
Veteran's Memorial Park: Children's Restroom	23,000
Veteran's Memorial Park: Playground Surface	52,500
Debs Park: Playground Equipment (Roberti Z'Berg Grant)	121,000
Debs Park: Playground Equipment (State Park Bond)	102,000
Total	$481,100

  The City is working closely with the State to retain as much of this funding as possible. Nonetheless, given the seriousness of the State's concerns, prudent financial management means setting aside these funds in the event that the full amount in dispute needs to be repaid.

  The 2007 bond proceeds are an appropriate source of funding for this repayment as park improvements are an eligible use of these funds. Given the many fiscal constraints facing the City, this is the best funding source available to the City and is the recommended funding strategy in the Preliminary 2012-13 Budget, which proposes reserving $500,000 from the remaining bond proceeds for this purpose. However, this results in $500,000 less in funds available to reduce future debt service payments.

  In the event that this entire amount is not required for repayment to the State, the balance can be used to fund eligible capital improvement projects in the future.

- ***Establishing a Debt Service Reserve.*** The City receives property tax revenues throughout the fiscal year, with the largest payments reflecting the December and April tax installments, but with some revenues trailing as late as August in the subsequent fiscal year. However, while the first major tax receipts (about 50% of the total levy) are not received until mid-

December, semi-annual interest payments on the bonds are due on August 1 and February 1; and annual principal payments are due on August 1.

Besides the mismatch in timing, there is some uncertainty in property tax receipts due to delinquencies in payments. Accordingly, it is common for general obligation bond issuers to levy a little more than the amount required for debt service to make sure that sufficient funds are on hand at all times from tax revenues, without the need to borrow from the General Fund.

Practice varies widely among agencies depending on their unique delinquency experience. In the City's case, its average delinquency during the 2004-11 period was 4.0%, with the highest delinquency at 6.9% in Fiscal Year 2007-08. For the most two recent years, the delinquency rates were 3.3% and 2.0%. In establishing the reserve end at the end of Fiscal Year 2011-12, we have assumed a reasonably conservative 5% delinquency rate.

As summarized below, these two factors result in an amount available for tender/redemption of roughly $17.7 million compared with initial estimates of $20 million.

Estimated Amount Available for Work-Out	
Current Cash Balance	19,665,936
Plus: Estimated Remaining Property Tax Collections	1,020,613
Less:	
Debt Service Requirements	
August 1, 2012 Principal and Interest Payments on 2004 Bonds	(700,959)
August 1, 2012 Principal and Interest Payments on 2007 Bonds	(1,584,125)
Repayment of State Grant Funds	(500,000)
Estimated Tender/Redemption Implementation Costs	(242,500)
Estimated Amount Available for Work-Out	**$17,658,965**

However, even with this lower amount than initial estimates, significant reductions in annual debt service payments and related property tax levies will be experienced by the City after implementing the work-out plan.

Policy Decisions Regarding Debt Service and Property Tax Rate Structure

Level Debt Service or Level Property Tax Levy?

Most commonly, G.O. bonds are structured so that annual debt service payments are level over the life of the bonds. With this approach, while the dollar amount of the annual levy will remain about the same, the tax rate is likely to decline over time as assessed valuation rises.

In some cases, however – most commonly with school districts – the goal is to structure annual debt service payments so the tax *rate* will be relatively level based on modest assessed value growth assumptions. In this case, debt service payments will not be level each year: they will grow with projected increases in assessed value. KNN is aware of general obligation bonds that have been structured with annual increases in debt service as high as 10%.

There are public policy and fiscal impacts – both pro and con – with either approach. Level debt service produces a declining tax rate, producing either lower tax bills in the future or creating more future capacity for bonded debt. On the other hand, an increasing debt service places more of the burden on to future tax payers. Financially, it allows for a lower initial rate and levy, but it increases overall interest cost by deferring the retirement of bonds to later years.

The chart below summarizes the estimated financial results of the two options available to the City in structuring revised debt service to either smooth tax rates (Option 1) or set relatively level debt service payments with declining tax rates (Option 2), compared with existing debt service obligations. With Option 1, no tax increase is projected to be needed next fiscal year from the current rate of $153 per $100,000 of assessed valuation (AV). However, as discussed above, this cannot be guaranteed due to factors beyond the City's control.

G.O. Bond Work-Out Tax Rate Impacts: 2012-13			
	Levy Amount	Tax Rate $100,000 Assessed Value	Tax Rate Change from 2011-12
Existing GO Bond 2011-12 Tax Rate	$2,064,000	$153	
Required to Meet 2012-13 Obligation	$3,500,000	$265	$112
Estimated After Bond Work-Out			
Option 1: Smoothed Tax Rate	**$2,050,000**	**$153**	**$0**
Oprion 2: Level Debt Service	$2,360,000	$177	$24

Assumes assessed value grows by 0.5% in 2012-13

For comparison purposes, this summary above assumes that all outstanding bonds are reduced via the "redemption" approach. Depending on the results of the tender offer, the results may be better than this – but again, this cannot be guaranteed.

Under normal circumstances, we would recommend Option 2 (level debt service). However, the City's circumstances are not normal; and given that the work-out plan's overarching goal is to mitigate tax rate increases, we recommend Option 1 (smoothed tax rate). However, it should be noted that because principal reduction occurs slower under the "smoothed tax rate" approach, total interest costs are higher with this approach: about $250,000 on a present value basis over the remaining life of the bond issue.

The following chart provides a more detailed comparison of existing annual debt service obligations and related tax rate requirements, as well as estimates of how those would change over the remaining life of the bonds under Options 1 and 2.

Estimated Debt Service and Tax Levy Impact

		CURRENT TAX LEVY		ESTIMATED POST-WORKOUT TAX LEVY			
				Option 1: Smoothed Tax Rate		Option 2: Level Debt Service	
Year	Assumed AV Growth Rate	Existing Debt Service	Tax Levy Per $100,000 of AV	Revised Debt Service	Tax Levy Per $100,000 of AV	Revised Debt Service	Tax Levy Per $100,000 of AV
2012/13	0.50%	$3,485,969	$265	$2,049,619	$153	$2,356,169	$177
2013/14	0.50%	3,504,169	261	2,077,019	155	2,356,169	175
2014/15	1.00%	3,504,769	258	2,097,619	155	2,359,969	174
2015/16	1.50%	3,503,369	254	2,126,619	154	2,357,369	171
2016/17	2.00%	3,496,069	249	2,162,319	154	2,359,569	168
2017/18	2.00%	3,486,219	243	2,200,219	154	2,359,969	165
2018/19	2.00%	3,473,819	237	2,235,069	153	2,358,569	161
2019/20	2.00%	3,463,819	232	2,271,819	152	2,360,319	158
2020/21	2.00%	3,456,019	227	2,310,269	152	2,360,019	155
2021/22	2.00%	3,454,494	223	2,349,494	151	2,356,994	152
2022/23	2.00%	3,443,731	218	2,394,231	151	2,356,231	149
2023/24	2.00%	3,439,656	213	2,434,656	151	2,358,156	146
2024/25	2.00%	3,431,000	208	2,475,000	150	2,361,750	143
2025/26	2.00%	3,423,500	204	2,515,750	150	2,357,500	140
2026/27	2.00%	3,416,100	199	2,560,850	150	2,359,850	138
2027/28	2.00%	3,409,350	195	2,600,600	149	2,364,100	135
2028/29	2.00%	3,408,000	191	2,645,000	148	2,365,000	133
2029/30	2.00%	3,397,750	187	2,689,750	148	2,363,750	130
2030/31	2.00%	3,392,250	183	2,738,000	148	2,363,750	127
2031/32	2.00%	3,396,000	180	2,784,250	147	2,364,750	125
2032/33	2.00%	3,393,250	176	2,833,250	147	2,361,500	122
2033/34	2.00%	3,394,000	172	2,879,500	146	2,364,000	120
2034/35	2.00%	2,372,750	116	2,372,750	117	2,361,750	118
2035/36	2.00%	2,370,250	116	2,370,250	116	2,364,750	115
2036/37	2.00%	2,367,750	113	2,367,750	113	2,362,500	113

Current Tax Rate: $153 per $100,000 of AV

Notes:
Figures above represent estimated tax levy per $100,000 of AV assuming the indicated AV growth rates, and a 5% delinquency rate; GO bond tax levy only (excludes pension obligation)
All analysis preliminary and subject to change

In summary, the current property tax rate for repayment of the bonds is $153 per $100,000 of assessed value. Without corrective action, it is estimated to increase to $265 in 2012-13, an increase of over 70%. However, under Option 1, it is possible that a tax rate increase can be avoided, although as noted above, this cannot be guaranteed.

Impact on Property Tax Levy

- Without the proposed work-out, the tax levy will increase from $2.1 million to $3.5 million. Based on projected 2012-13 assessed valuation, this will increase existing property tax rates by $112 per $100,000 of assessed valuation (from $153 to $265) – an increase of over 70%.

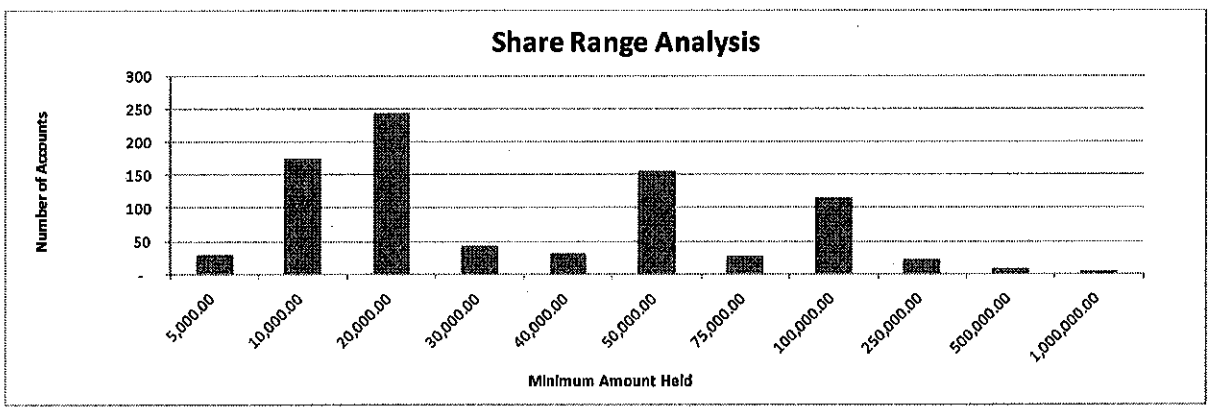
- Under the proposed work-out, the required tax levy decreases significantly. While it cannot be guaranteed, under Option 1 (smoothed tax rate), it is likely that no tax rate increase will be required for 2012-13.

- Even under Option 2 (level debt service), the required levy drops significantly (from $3.5 million to $2.4 million), as does the required tax per $100,000 of assessed value (from $265 to $177).

Pricing the Tender Proposal

One of the key next steps after Council approval will be executing the tender offer. With the help of Bond Communications Group (BCG), we have learned a great deal about the holders of the City's bonds. The investors in the City's 2007 bond issue are what are commonly referred to as "retail" investors – individuals and family trusts – rather than "institutional" investors such as mutual funds.

The following summarizes the holders of the City's bonds based on the size of their holdings.



The composition of the City's investors introduces its own challenges and opportunities. If the bonds were held by institutional investors, it would be easier to communicate with them than with retail investors, and we could better anticipate their pricing requirements. Retail investors are harder to contact, and it is less clear what (if anything) would motivate their willingness to sell bonds. On the other hand, retail investors are generally less price sensitive.

The strategy that will be implemented is to set a price that will range somewhere between the face value of the bond (or "par") and the highest price the City could pay and still produce an advantage over the escrow alternative. KNN and BCG will help the City determine that price, which is not expected to be more than 120% of par for each maturity. It should be noted that this is a very difficult pricing exercise, as the most successful tender will achieve both a high level of participation and a favorable price, factors that can be in conflict.

To increase the likelihood of success, KNN recommends that the City offer the brokers who manage investor accounts a fee for facilitating the transaction. This will give the brokers an incentive to call investors and help them evaluate the City's tender offer. An appropriate fee will be between 0.5% to 1.0%, to be decided closer to the tender. Assuming a mid-range fee of 0.75%, the cost would be about $130,000, which will be financed from the bond proceeds. These fees will only be paid if bonds are tendered, by definition saving the City money.

Description of Implementation Documents

The following describes the attached implementation documents recommended for Council approval at this time:

- ***Attachment 1: Resolution.*** This document approves all the other documents and authorizes City staff and officers to undertake the actions necessary to implement the work-out plan.

- ***Attachment 2: Offer to Purchase (Exhibit A of the Resolution).*** This is the key document in the tender offer: soliciting bonds from investors. It is comprised of a cover letter and a series of question and answers. The document describes the City's intentions, including its plans to escrow funds if necessary to achieve the City's goals. The document also discloses information about the various investigations involving the City. The offer includes a table of the prices the City is offering to pay for the bonds. Within clear parameters, completing that table of prices has been delegated to City staff in the resolution.

- ***Attachment 3: Redemption Escrow Agreement (Exhibit B of the Resolution).*** This document will govern the investment and use of the funds that are not used to directly purchase bonds from investors. These funds will be invested in Treasury securities, timed to mature as needed to pay interest and principal until August 1, 2017, when certain outstanding bonds will be called and redeemed. KNN will design the escrow so that the specific bonds that are called will result in the remaining debt service matching the City's goals. U.S. Bank, currently the paying agent on the existing bonds, will serve as the tender agent and the escrow agent.

- ***Attachment 4: Solicitation Fee Notice.*** This document is a notice to brokers that, under certain circumstances, they will be paid a fee for facilitating their clients' participation in the tender offer. As noted above, that fee would range from 0.5% to 1.0% (roughly equivalent to the underwriter discount in a bond sale). The resolution delegates to staff the setting of the final fee.

Next Steps

The following outlines the next steps in implementing the G.O. bond work-out plan:

Remaining Action Steps	Target Date
• Adoption of resolution approving implementation documents	6-6-12
• Launch of tender solicitation	6-7-12
• Receipt of tender offers	6-28-12
• Evaluation of tender offers; identification of amount (if any) to be redeemed via escrow	7-2-12
• Settlement of accepted tender offers	7-5-12

Remaining Action Steps	Target Date
• Execution of escrow account	7-12-12
• Adoption of 2012-13 tax rate by Council based on the results of the work-out and County assessed valuation data	8-15-12

Financial Impact

There is no direct impact on the General Fund associated with implementing the work-out plan; all costs are being funded from the unspent bond proceeds. However, it will result in significant reductions in the tax levy that would otherwise be required.

Work-Out Plan Budget

As part of its approval of the work-out plan in December 2011, the Council approved a budget of $115,000 to implement the plan, summarized as follows:

G.O. Bond Work-Out Plan Budget	
Bond Communications Group	40,000
Special Counsel	30,000
Financial Advisor (KNN)	15,000
Arbitrage Consultant	5,000
Escrow Agent	1,000
Project Management (Statler)	3,500
Contingencies	20,500
Total	**$115,000**

While there are some changes within categories – the current budget for the Bond Communication Group is lower ($30,000 compared with $40,000); and the budget for Bond Counsel is slightly higher ($35,000 compared with $30,000) – we are on track with this budget estimate; and Special Counsel has confirmed that this cost can be funded from the remaining bond proceeds. These one-time costs are very modest, especially when compared with over $22 million in savings in debt service payments over the next 25 years.

As discussed above, an additional cost is recommended to offer a broker incentive to increase the City's chances for a successful tender. These costs will also be funded from the remaining bond proceeds and have been factored into the above analysis. These additional costs will only be applicable in the event the tender is successful – if so, the substantial savings compared to the cost of a redemption escrow, would far outweigh the broker incentive. For example, if the tender is fully successful, these fees would likely total about $130,000, while savings to the City, relative to funding an escrow for the tendered bonds, could be over $1 million.

ALTERNATIVES

Do Not Move Forward with the G.O. Bond Work-Out Plan. As discussed above, this will result in an increase of over 70% in the tax levy next fiscal year. Accordingly, we do not recommend this option.

Do Not Fund the State Park Grant Repayment with Bond Proceeds. This would result in a modest increase in debt service savings: about $25,000 annually. However, given the fiscal challenges facing the City, and the setting aside of bond proceeds for this purpose in the Preliminary 2012-13 Budget, funding the $500,000 repayment from General Fund reserves is not recommended.

Implement Option 2: Level Debt Service Payments. As noted above, there are interest cost savings with this approach over the life of the bonds. However, this option is almost certain to result in a tax rate increase in 2012-13 (albeit a much more modest one than would be the case without the work-out plan). Given that the overarching goal of the work-out is to mitigate tax rate increases, this option is not recommended.

SUMMARY

In significantly reducing next year's tax levy requirements, we recommend that the Council adopt a resolution (Attachment 1) that approves implementation of the G.O. bond work-out plan approved by the Council on December 14, 2011.

ATTACHMENTS

1. Resolution
2. Offer to Purchase Bonds (Exhibit A of the Resolution)
3. Escrow Agreement (Exhibit B of the Resolution)
4. Solicitation Fee Notice

AVAILABLE ON THE CITY'S WEB SITE

G.O. Bond Work-Out Plan approved by the Council on December 14, 2011
http://www.bellcityclerk.org/publicrecords/pdf/meetings/2011/cc20111214agenda.pdf

RESOLUTION NO. 2012-46

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA TO APPROVE THE FORM OF AN OFFER TO PURCHASE AND RELATED DOCUMENTS AND AN ESCROW AGREEMENT AND PROVIDING FOR MATTERS RELATED THERETO

WHEREAS, on September 6, 2007, the City of Bell, California (the "City") issued its General Obligation Bonds (Election of 2003) Series 2007 (the "Bonds"); and

WHEREAS, the Bonds were issued and delivered to finance certain projects within the City, including the expansion and improvement of the Bell Sports Complex, the Bell Community Center, other parks, recreational and cultural facilities throughout the community, and the construction of a new library, performing arts theater and public safety and civic facilities (collectively, the "Planned Projects"); and

WHEREAS, many of the Planned Projects were not completed and the City desires if possible to mitigate property tax increases that would otherwise be required to fund required annual debt service payments for the Bonds; and

WHEREAS, the City desires to authorize City staff to use a portion of the unspent proceeds of the Bonds to make a tender offer to purchase a portion of the Bonds; and

WHEREAS, the City desires to authorize City staff, to the extent insufficient Bonds are purchased pursuant to the proposed tender offer, to use a portion of the unspent proceeds of the Bonds to fund a "prefunded debt service fund" under the Escrow Agreement for the purpose of paying debt service on a portion of the Bonds until the first optional redemption date and to redeem on such redemption date a portion of the then outstanding Bonds as specified in the Escrow Agreement; and

WHEREAS, pursuant to Resolution No. 2011-55, the Interim Chief Administrative Officer authorized the City's use of Fulbright & Jaworski LLP, as special counsel, KNN Public Finance, as financial advisor, Bondholder Communications Group LLC as tender agent, U.S. Bank National Association, as escrow/paying agent, Causey Demgen & Moore Inc., as verification agent, and Bill Statler, as advisor, to the City in connection with the transactions contemplated herein.

WHEREAS, there have been made available to the City Council of the City of Bell (the "City Council") the proposed forms of the following:

(1) Offer to Purchase, including a cover letter and Solicitation Fee Payment Notice (collectively, the "Offer to Purchase"); and

(2) Escrow Agreement (the "Escrow Agreement"), by and between the City and U.S. Bank National Association, as escrow agent (the "Escrow Agent").

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, FOUND AND ORDERED by the City Council, as follows:

Section 1. Recitals. All of the above recitals are true and correct and the City Council so finds.

Section 2. Offer to Purchase. The proposed form of Offer to Purchase, as set forth in Exhibit A hereto, is hereby approved. The Mayor, Vice Mayor, City Administrative Officer, or their respective designees (each, an "Authorized Signatory") are hereby authorized and directed, for and on behalf of the City, to execute and deliver the Offer to Purchase in substantially such form, with such changes and insertions therein as any Authorized Signatory may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Escrow Agreement. The proposed form of Escrow Agreement, as set forth in Exhibit B hereto, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the City, to execute and deliver the Escrow Agreement in substantially such form, with such changes and insertions therein as any Authorized Signatory may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Approval of Tender Offer. The proposed tender offer with respect to the Bonds is hereby approved. Any Authorized Signatory is hereby authorized to set prices for the purchase of Bonds through an optional tender, such prices not to exceed 120% of the principal amount thereof. Any Authorized Signatory is also hereby authorized to approve a solicitation fee payment of up to $10.00 per $1,000 principal amount of the applicable Bonds to compensate retail brokers who assist in soliciting their customers to participate in the optional tender. Such fees shall be paid from unspent Bond proceeds.

Section 5. Approval of Prefunded Debt Service Fund. Any Authorized Signatory, or other appropriate officer of the City, is hereby authorized and directed to transfer available funds in an amount estimated to be $17,700,000 and which shall not exceed $19,000,000 to U.S. Bank National Association for further application in accordance with a tender agent agreement and the Escrow Agreement. In structuring the revised annual debt service for the Bonds, the City staff's goal shall be to mitigate to the extent possible property tax rate increases. This may result in combined debt service payments for the City's 2004 general obligation bonds and the Bonds that are lower in the earlier years and higher in later ones. However, the difference in combined annual debt service payment for the 2004 general obligation bonds and the Bonds shall not increase by more than 5% annually.

Section 6. Further Authorization. Any Authorized Signatory is hereby authorized and directed to determine a desirable schedule for the release to investors of the Offer to Purchase and related documents and the appropriate closing and settlement dates with respect thereto and to do any and all things, and to execute and deliver any and all letters, agreements (including a tender agent agreement) documents, notices and other instruments which such Authorized Signatory may deem necessary or advisable to carry out, give effect to and comply with the terms and intent of this Resolution and to consummate by the City the transactions contemplated by the documents approved hereby. All actions heretofore taken by any Authorized Signatory or any other officers and agents of the City with respect to the tender of the Bonds and the establishment of the prefunded debt service fund and the matters and documents approved herein are hereby ratified, confirmed and approved.

Section 7. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED THIS 6th DAY OF JUNE, 2012.

Ali Saleh, Mayor

APPROVED AS TO FORM

DAVE ALESHIRE, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Patricia Healy, Interim City Clerk of the City of Bell, hereby attest to and certify that the foregoing Resolution No. 2012-39 is the original resolution adopted by the Bell City Council at its regular meeting held on the 6th day of June, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Patricia Healy, Interim City Clerk

_____, 2012

Offer to Purchase
$35,000,000
City of Bell
General Obligation Bonds
(Election of 2003)
Series 2007

Dear Bondholder:

Thank you for your investment in the City of Bell, California, General Obligation Bonds (Election of 2003) Series 2007. The bonds were issued in September of 2007 to pay for municipal improvement projects that were approved by voters in a 2003 ballot measure. The projects included expansion and improvement of the Bell Sports Complex, the Bell Community Center, other parks, recreational and cultural facilities throughout the community, and construction of a new library, performing arts theater and public safety and civic facilities.

Many of these projects were never built, and we now find that we have cash left over from the original $35,000,000 that we raised back in 2007 when we sold the bonds (the term for this is called "unspent proceeds"). We would like to use this cash to buy back and retire a portion of the outstanding bonds, and reduce the amount of debt we have outstanding and related annual debt service payments.

An alternate and/or supplemental procedure that we may use to pay bonds instead of buying them back from bondholders is to irrevocably set aside unspent bond proceeds in a "prefunded debt service fund" and apply such money to (i) pay debt service on the bonds as it becomes due and (ii) "redeem" bonds on the first optional redemption date. This means that we will buy and deposit into an escrow account, State and Local Government Securities with specific maturity dates and interest rates and in sufficient amounts to pay the interest and principal when due. If we use this procedure, the bonds to be redeemed would be optionally called for redemption at 100% of par on August 1, 2017 (bonds maturing before August 1, 2018 are not redeemable).

We believe that this may be a win-win situation for bondholders and the City. The prices that we are willing to pay bondholders may represent a premium above what other similarly rated bonds are trading at, but are below what it will cost the City to buy the Treasury Securities needed to fund the escrow. Ask your broker if he or she is able to locate replacement bonds that will cost you less to purchase than the amount we are willing to pay you for the bonds that you own.

The terms and conditions of our proposal to purchase Bonds are described in the enclosed Questions and Answers, which you should read carefully. You should also consult with your account executive or other independent professional financial advisor in deciding if, and how, you should respond to our Offer to Purchase.

THE CITY IS CURRENTLY SUBJECT TO SIGNIFICANT LAWSUITS AND INVESTIGATIONS SEE RESPONSE TO QUESTION 18 IN THE OFFER TO PURCHASE

Questions regarding the procedures for submitting a tender may also be directed to the Information Agent, Bondholder Communications Group, toll-free, at (888) 385-BOND or (888) 385-2663, Attention: Clara Barton, email: cbarton@bondcom.com.

Thank you for taking the time to consider the Offer to Purchase. We appreciate your interest in our Bonds.

CITY OF BELL, CALIFORNIA

_____

Ali Saleh, Mayor

QUESTIONS AND ANSWERS

OFFER TO PURCHASE
City of Bell
General Obligation Bonds
(Election of 2003)
Series 2007

THE CITY IS CURRENTLY SUBJECT TO SIGNIFICANT LAWSUITS AND INVESTIGATIONS, SEE RESPONSE TO QUESTION 18 HEREIN

1. What is the tender offer and what are my options?

The City of Bell, California (the "City") wishes to purchase certain of the above-captioned bonds, originally issued on September 6, 2007. CIFG Assurance North America, Inc. ("CIFG NA") issued an insurance policy, guaranteeing the scheduled payment of principal of and interest on the bonds when due in the event of nonpayment by the City. The insurance policy has been assumed by Assured Guaranty Corp. The bonds were issued to pay for municipal improvement projects that were approved by voters in a 2003 ballot measure. The projects included expansion and improvement of the Bell Sports Complex, the Bell Community Center, other parks, recreational and cultural facilities throughout the community, and construction of a new library, performing arts theater and public safety and civic facilities.

Many of these projects were never built, and the City has cash left over from the original $35,000,000 that was raised back in 2007 when we sold the bonds (the term for this is called "unspent proceeds"). We would like to use this cash to buy back and retire some of the outstanding bonds, and reduce the amount of debt we have outstanding and related annual debt service payments. **Currently, the City has not levied property taxes in the amount required to pay debt service on the bonds, but has made all past payments on the bonds when due.**

An alternate and/or supplemental procedure to buying back outstanding bonds that we may use is to irrevocably set aside unspent bond proceeds with an escrow agent that is a national banking association and direct the escrow agent to apply such money (i) to pay debt service on the bonds as it becomes due and/or (ii) to "redeem" a portion of the bonds on the first optional redemption date. This means that we will buy and deposit into an escrow account, **[United States Treasury Obligations - State and Local Government Series or Non-AMT Tax Exempt Bonds]** with specific maturity dates and interest rates and in sufficient amounts to pay the interest and principal when due. If we use this procedure, the bonds to be redeemed would be optionally called for redemption at 100% of par on August 1, 2017 (bonds maturing before August 1, 2018 are not redeemable). We will choose the maturities and amounts to be redeemed; the specific bonds to be redeemed would be selected by the paying agent, by lot, in any manner which the paying agent deems fair, typically by random draw. Bonds that are neither purchased

nor redeemed will remain outstanding until they are subsequently called or they mature, whichever comes first.

The deadline for accepting our Offer to Purchase is 5:00 p.m. New York City Time on June 28, 2012. We expect to pay for the bonds accepted for purchase by us, plus accrued interest, no later than five (5) days following the deadline for accepting our Offer to Purchase.

2. *How much will I receive if I accept the Offer to Purchase?*

We will pay you a price for your bonds that depends on the CUSIP that you own. Please see the following table for a listing of the purchase prices for the respective bonds by CUSIP.

BONDS SUBJECT TO OUR OFFER TO PURCHASE

City of Bell
General Obligation Bonds, Series 2007
(Election of 2003)

SECURITIES SUBJECT TO OFFER				
CUSIP	AMOUNT OUTSTANDING	INTEREST RATE	MATURITY DATE	PURCHASE PRICE*
07786BAY6	$ 775,000	4.00%	2013	$
07786BAZ3	$ 820,000	4.00%	2014	
07786BBA7	$ 855,000	4.00%	2015	
07786BBB5	$ 890,000	4.00%	2016	
07786BBC3	$ 925,000	5.00%	2017	
07786BBD1	$ 960,000	5.00%	2018	
07786BBE9	$ 1,000,000	5.00%	2019	
07786BBF6	$ 1,040,000	5.00%	2020	
07786BBG4	$ 1,085,000	5.00%	2021	
07786BBH2	$ 1,135,000	5.00%	2022	
07786BBJ8	$ 1,180,000	5.00%	2023	
07786BBK5	$ 1,235,000	5.00%	2024	
07786BBL3	$ 1,290,000	5.00%	2025	
07786BBM1	$ 1,345,000	5.00%	2026	
07786BBN9	$ 1,405,000	5.00%	2027	
07786BBP4	$ 3,010,000	5.00%	2029	
07786BBQ2	$ 5,065,000	5.00%	2032	
07786BBR0	$ 10,260,000	5.00%	2037	
Total	$34,275,000.00			

QUESTIONS AND ANSWERS

3. What will happen if I don't accept your offer and what are the risks if any?

That depends. Of the $_____ bonds outstanding as of the date of this notice, we intend to purchase $_____. If we are unable to purchase our goal amount, we will deposit unspent bond proceeds in the prefunded debt service fund for application as described in question number 1 above.

The fewer bondholders that tender their bonds to us, the greater the chances are that the bonds you own will be called at par on the first optional redemption date of August 1, 2017.

Additionally, the bonds that we purchase by means of this Offer to Purchase will reduce the amount outstanding or "float". This may affect the liquidity (the ability to find someone willing to buy your bonds in the future) of the remaining bonds.

4. Will I pay any commission or fee if I accept your offer?

You will pay no fee to us or the Information and Tender Agent. However, check with your brokerage firm or bank to determine whether it will charge you a fee.

5. Why are you asking me to accept your Offer to Purchase?

We hope to realize debt service savings, as described in our response to question 1 above.

6. Is accepting your Offer to Purchase a good idea?

We cannot advise you on whether or not this is a good idea for you. Your broker or financial advisor is probably the best person to answer that question. Therefore, we urge you to consult with your own advisors.

7. How do I tender my bonds?

Just call your broker or account executive and instruct him or her to tender your bonds.

8. Can I tender some, but not all of my bonds?

Yes, as long as you tender them in authorized denominations of $5,000 or any integral multiple of $5,000.

9. What will my brokerage firm or bank do to accomplish the settlement of my tender?

Brokerage firms and banks keep the bonds in book-entry form at The Depository Trust Company ("DTC"), New York, New York.

QUESTIONS AND ANSWERS

We will establish an Automated Tender Offer Program ("ATOP") account at DTC. Your broker or account executive will submit the tender of your bonds, as well as any request for withdrawal, through this ATOP account by the June 28, 2012 deadline.

10. Can I change my mind after I accept your offer?

Yes. You may withdraw your instructions to tender so long as your withdrawal request is received by us by the June 28, 2012 deadline. Just ask your broker or banker to communicate your request to us. Make sure you contact your broker or banker in sufficient time so that they can transmit your withdrawal instructions to us by the deadline date.

To be effective, withdrawal instructions must be received at the ATOP account established for the tender offer by 5:00 p.m. Eastern Time on June 28, 2012 and must include the Voluntary Offering Instruction number of the tender being withdrawn.

11. When is the expected settlement date (or, when will I get paid)?

The settlement date is the day on which bonds accepted for purchase are to be purchased. The settlement date has initially been set to occur five (5) days after the deadline for accepting our Offer to Purchase. The City may change the settlement date by giving notice to your broker, http://emma.msrb.org or www.bondcom.com/Bell.

12. How will I be notified if you make any changes to or extend the Offer to Purchase?

If we make any changes to our Offer to Purchase, we will notify your broker. It in turn may notify you, so it is best to stay in contact with your broker. If we make changes to the terms which we believe are not in your favor (for example lowering the prices we propose to pay you), we will allow at least three (3) days for you to consider the changes and withdraw your tender. We are not responsible for the failure of your broker to communicate any modifications of our Offer to Purchase.

If we choose to extend the Offer to Purchase, we will notify your broker by 1:00 p.m. New York City Time on the first business day following the expiration date.

If you have access to the internet, you may find information about this offer at http://emma.msrb.org or www.bondcom.com/Bell.

13. Will you buy all of the bonds that you are offering to purchase?

Maybe. In case more bonds are tendered than we wish to purchase, we will determine on a CUSIP by CUSIP basis which bonds we will accept. We will also select bonds to purchase based on our goal of achieving relatively level debt service on the bonds that are neither purchased nor set aside for the payment of debt service or redemption. If we do

not purchase all bonds of a particular CUSIP, then we will accept them on a *pro rata* basis. For example, if you tender $10,000 bonds to us, and we can only purchase 50% of the CUSIP you are holding, we will purchase $5,000 of your bonds and return the remaining $5,000 bonds to you. If we use this procedure, we will ensure that we return bonds to you in denominations of $5,000 and integrals of $5,000.

14. How will I know if my tender has been accepted?

On 1:00 p.m. New York City Time on the first business day following the expiration date, we will notify your broker, http://emma.msrb.org, and www.bondcom.com/Bell which bonds, if any, we are accepting for purchase, and the proration factor (if any) used to determine the amount of bonds we are purchasing on a pro rata basis.

15. Are there any conditions which would prevent you from purchasing my bonds once you have accepted my tender (the "fine print")?

Yes. We will not be required to purchase any bonds we have agreed to purchase, and will incur no liability or other obligation to you, if before the settlement date any of the following occurs:

(a) Litigation or another proceeding is pending or threatened which we believe may, directly or indirectly cause us harm if we were to proceed with the Offer to Purchase;

(b) A war or national emergency or an escalation of any war or national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists, and we believe this fact makes it inadvisable to proceed with the purchase of bonds;

(c) A material change in our business or affairs has occurred which we believe makes it inadvisable to proceed with the purchase of bonds;

(d) We do not have sufficient funds available to pay for the bonds on the settlement date;

(e) We become subject to or may become subject to any statute, order, rule or regulation, or governmental action, that in our opinion would cause us harm if we were to complete the Offer to Purchase; and

(f) Any change (or any condition, event or development involving a prospective change) in the general economic, financial or market conditions in the United States, that in our sole judgment, has or may have a material adverse effect upon the market prices of the bonds or upon trading in the bonds or upon the value of the bonds has occurred.

These conditions are for our sole benefit. We may claim them regardless of the circumstances giving rise to any of these conditions or we may waive them in whole or in part at any time and from time to time in our discretion. If we fail to exercise all or some of

our rights as described above, we may still assert some or all of them at a later time. We will determine whether any of the events described above has occurred, and our decision will be final and binding upon all bondholders.

16. Will there be any tax consequences for me if I tender my bonds?

The following discussion of federal income tax consequences is included for general information only and should not be construed as a tax opinion or tax advice to holders. This discussion is based on current law, which is subject to change. Holders should not rely upon this discussion and are urged to consult their own tax advisors to determine the particular federal, state or local tax consequences of tenders or sales made by them pursuant to this Invitation, including the effect of possible changes in the tax laws.

Notwithstanding anything to the contrary contained herein, each holder and beneficial owner of a bond (and each employee, representative, or other agent of each holder and beneficial owner of a bond) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this offer to purchase and all materials of any kind that are provided to the holder or beneficial owner of a bond relating to such tax treatment and tax structure (as such terms are defined in Treasury Regulation Section 1.6011-4). The authorization of tax disclosure is retroactively effective to the commencement of discussions with holder or beneficial owners of bonds regarding the transactions contemplated herein.

General

The following summary is a general discussion of certain United States federal income tax consequences applicable under current law to the sale of the bonds pursuant to the offer to purchase. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated under the Code, administrative rulings and judicial decisions now in effect, all of which are subject to change, possibly with retroactive effect, or differing interpretations, in which case the United States federal income tax consequences could differ from those set forth below. The City has not sought, nor does the City intend to seek, a ruling from the Internal Revenue Service (the "IRS"), or an opinion of counsel regarding the United States federal income tax consequences of a tender of bonds. Accordingly, there can be no assurance that the IRS will agree with the tax consequences described in the following summary.

The summary below does not address all tax considerations that may be applicable to a holder of a bond in light of such holder's particular circumstances, nor does it address tax consequences arising under the laws of any state, local, foreign or other tax jurisdiction. Certain holders of the bonds (including, but not limited to, dealers in securities or currencies, traders in securities that elect to mark to market, banks, insurance companies, or other financial institutions, tax-exempt organizations, partnerships and other pass-through entities, certain U.S. expatriates, persons holding bonds as a hedge, as part of a straddle or in connection with a conversion or other integrated transaction, U.S. holders (defined below) having a functional currency other than the

United States dollar and holders of bonds subject to the alternative minimum tax) may be subject to special rules not discussed below. If a partnership holds bonds, the tax treatment of a partner in the partnership will generally depend upon the status of the partner in and the activities of the partnership. A holder of a bond that is a partnership, and partners in that partnership, should consult their own tax advisors regarding the tax consequences of the offer to purchase. This discussion assumes that the bonds are held as "capital assets" within the meaning of Section 1221 of the Code by a holder that is not a dealer and is not holding such bonds for resale.

For purposes of this summary, a "U.S. holder" means a beneficial owner of bonds that is, for United States federal income tax purposes, (1) an individual citizen or resident of the United States; (2) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to United States federal income taxation regardless of its source; or (4) a trust that (a) is subject to the primary supervision of a United States court and which has one or more United States persons who have the authority to control all substantial decisions of the trust, or (b) has a valid election in effect under applicable Treasury Regulations to be treated as a United States person. A "non-U.S. holder" means a beneficial owner of bonds who is an individual, corporation, trust or estate other than a U.S. holder.

For purposes of this summary, a holder's "adjusted tax basis" in a bond will equal the cost of the bond to the holder, increased by the amount of any "market discount" previously taken into account by the holder and reduced by the amount of any amortized bond premium previously amortized by the holder with respect to the bond.

The bonds have been the subject of a prior opinion delivered by Nixon Peabody LLP, Bond Counsel in connection with the initial offering of the bonds, substantially to the effect that under the then-existing law and assuming the accuracy of certain representations and the faithful compliance with certain covenants, interest on the bonds was excluded pursuant to Section 103(a) of the Code from the gross income of the owners of the bonds for federal income tax purposes. The City has not in connection with this offer to purchase requested sought any new or updated opinion from bond Counsel, or engaged or caused any other legal counsel to examine any historic, existing or future exclusion of interest pursuant to said Section 103(a); the City in this disclosure document has referenced an on-going examination of the bonds by the Internal Revenue Service. For purposes of this discussion the City has assumed that such exclusion pursuant to Section 103(a) does exist and is continuing, and does not address any possible consequences of a contrary determination by the Internal Revenue Service.

Holders of bonds are urged to consult their own tax advisors regarding the specific United States federal, state, local, foreign and other tax consequences of the sale of bonds pursuant to the offer to purchase.

U.S. Holders

Sales of bonds by U.S. holders pursuant to the offer to purchase will be taxable transactions for United States federal income tax purposes. Subject to the discussion of the market discount rules set forth below, a U.S. holder selling bonds pursuant to the offer will generally recognize capital gain or loss in an amount equal to the difference between the amount of cash received (other than amounts received attributable to accrued but unpaid interest) and the U.S. holder's adjusted tax basis in the bonds sold at the time of sale. Currently, capital gain of a non-corporate U.S. holder is generally subject to a maximum tax rate of 15% in respect of property held for more than one year. The deductibility of capital losses is subject to limitations.

An exception to the capital gain treatment described above may apply to a U.S. holder who purchased a bond at a "market discount". Subject to the statutory de minimis exception described in the next sentence, a bond has market discount if it was purchased for an amount less than the stated redemption price at maturity of the bonds (i.e., generally the sum of all payments provided by the bonds other than payments of qualified stated interest). If the market discount is less than 0.25% of the stated redemption price of the Bonds at maturity multiplied by the number of complete years to maturity from the time a U.S. holder acquired the bonds, the market discount is considered to be zero. In general, unless the U.S. holder has elected to include market discount in income currently as it accrues, any gain realized by a U.S. holder on the sale of bonds having market discount will be treated as ordinary income to the extent of the lesser of (a) the gain recognized or (b) the portion of the market discount that has accrued (on a straight-line basis or, at the election of the U.S. holder, on a constant-yield basis) while such bonds were held by the U.S. holder.

Sales of bonds pursuant to the offer by non-corporate U.S. holders generally will be subject to information reporting requirements. In addition, a U.S. holder will be subject to United States backup withholding tax with respect to the gross proceeds received from the offer to purchase if the U.S. holder fails to provide its taxpayer identification number to the paying agent, or to otherwise establish an exemption from United States backup withholding tax. United States backup withholding tax is not an additional United States federal income tax. Rather, the United States federal income tax liability of persons subject to United States backup withholding tax will be offset by the amount of tax withheld. If United States backup withholding tax results in an overpayment of United States federal income taxes, a refund may be obtained from the IRS provided the required information is timely furnished.

Non-U.S. Holders

A non-U.S. holder will generally recognize gain or loss on the sale of bonds in an amount equal to the difference between the purchase price received (other than amounts received attributable to accrued but unpaid interest) and the non-U.S. holder's adjusted tax basis in the bonds sold at the time of the sale. A non-U.S. holder generally will not, however, be subject to United States federal income or withholding tax on gain (if any) recognized on a sale of the bonds pursuant to the offer unless: (1) the gain is effectively connected with the non-U.S. holder's conduct of a

trade or business in the United States (and if an applicable income tax treaty applies, is attributable to a "permanent establishment" maintained by the non-U.S. holder within the United States); or (2) the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the sale, and certain other conditions are met. A non-U.S. holder described in (1) above generally will be required to pay United States federal income tax on the net gain derived from the sale, except as otherwise required by an applicable tax treaty, as if it were a U.S. holder who sold the bonds pursuant to the offer, and if such non-U.S. holder is a foreign corporation, it may also be required to pay a branch profits tax at a 30% rate (or a lower rate if so specified by an applicable income tax treaty) of its earnings and profits for the taxable year, subject to adjustments that are effectively connected with its conduct of a United States trade or business. A non-U.S. holder described in (2) above generally will be subject to a 30% (or, if applicable, a lower treaty rate) United States federal income tax on the gain derived from the sale, which may be offset by United States source capital losses, even though the non-U.S. holder is not considered a resident of the United States.

Payments of the Purchase Price to a non-U.S. holder may be subject to information reporting requirements. In addition, a non-U.S. holder generally will not be subject to United States backup withholding tax with respect to such payments provided that the non-U.S. holder properly certifies under penalties of perjury as to its foreign status (and the payer does not have actual knowledge or reason to know that the non-U.S. holder is a United States person), or the non-U.S. holder otherwise establishes an exemption.

Any amounts withheld under the United States backup withholding tax rules from a payment to a non-U.S. holder will be allowed as a credit against the non-U.S. holder's United States federal income tax liability or such non-U.S. holder may claim a refund, provided the non-U.S. holder furnishes the required information to the IRS in a timely manner. Non-U.S. holders should consult their tax advisors regarding the application of United States backup withholding tax in their particular circumstance and the availability of, and procedure for obtaining an exemption from, United States backup withholding.

Although the preceding discussion has been based in part upon certain provisions of the Code, it is not intended as tax advice and therefore cannot be relied upon in any manner as tax advice. Accordingly, to the extent that any tax advice nevertheless may exist in this Section 16 or elsewhere in this invitation to tender, such tax advice was not intended or written to be used, and cannot be used, for the purpose of avoiding any federal tax penalty. This invitation to tender, and any such tax advice, was written to support the promotion or marketing of the transaction contemplated herein. Any person considering tendering his or her bond pursuant to this invitation to tender should consult his or her own tax advisors to determine the tax consequences of such tender and sale in his or her own particular circumstances, including the application of United States federal, state, local, foreign and other tax laws.

QUESTIONS AND ANSWERS

17. Whom may I call if I have questions?

Please contact our Information and Tender Agent, Clara Barton of bondholder Communications Group, toll-free, at 1-888-385-BOND (1-888-385-2663) or via email at cbarton@bondcom.com.

You can also obtain additional copies of this document and other materials on the Internet at *www.bondcom.com/Bell.*

Finally, your broker or financial advisor should be able to answer most questions concerning our tender offer.

18. Are you subject to any lawsuits or investigations that I need to know about?

Since the bonds were issued in 2007, there have been very significant developments within the City. All City Council members and the Mayor seated when the bonds were authorized were recalled by the voters or have resigned. Special State legislation was required to swear in a new City Council. Various cases are currently pending against former City Council members and City officials regarding allegations, among others, of public corruption, misappropriating public funds, falsifying public documents and conflicts of interest. In addition, various former officials have filed indemnity and/or other claims against the City. There have been various allegations of election fraud in connection with the City's conversion to a charter city. Various federal and state agencies have conducted or are conducting investigations, including the California Public Employees' Retirement System, the Department of Corporations, the Internal Revenue Service, the Department of Housing and Urban Development and others.

In the Audit Report, dated September 22, 2010, as to Administrative and Internal Accounting Controls July 1, 2008 through June 30, 2010 (the "Controller's Report"), the State Controller made various findings with respect to the bonds and the use of the proceeds of the bonds. The findings in the Controller's Report include a finding that the City "did not establish separate accounts in accordance with the Paying Agent Agreement . . ." and a finding that the City "did not increase property taxes to pay for bond indebtedness until FY 2009-10, but the increased property tax was deposited in the General Fund instead of a Debt Service Fund . . ." The Controller's Report and other reports by the State Controller regarding the City and related entities are available on the State Controller's website at: *http://www.sco.ca.gov*.

The Internal Revenue Service is currently examining the bonds. Such investigation centers on the fact that the bonds were issued as tax-exempt obligations under the Internal Revenue Code. The City and its agents are cooperating with the Internal Revenue Service in connection with such examination. The City cannot predict the outcome of the examination. If the Internal Revenue Service issues an adverse determination with respect to the bonds, interest on the bonds could be deemed to be includable in the gross income of the Owners of the bonds. Such treatment could apply retroactively to the date of issuance of the bonds. The City has notified the Internal Revenue Service of its decision not to fund projects with the unexpended proceeds of the bonds and to reduce the principal amount outstanding of the bonds.

QUESTIONS AND ANSWERS

The United States Securities and Exchange Commission has commenced a private investigation based on information "that tends to show that from at least December 1, 2004 . . . in possible violation of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, the City of Bell, its officers, officials, employees, and/or other persons or entities, directly or indirectly, in the offering or sale or in connection with the purchase or sale of certain securities, may have been employing devices, schemes, or artifices to defraud, obtaining money or property by means of untrue statements of material fact or omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were or are made, not misleading, or engaging in transactions, acts, practices or courses of business which operated, operate, or would operate as a fraud or deceit upon any person. As part of or in connection with these activities, such persons or entities, directly or indirectly, may have been making false statements of material fact or failing to disclose materials facts concerning, among other things, (1) the use of bond proceeds, (2) the revenue and/or taxes pledged to repay bonds, and (3) the financial health of the City of Bell . . ." The City cannot predict the outcome of this or other investigations involving the City.

19. Where can I find additional information about the City of Bell?

The City maintains a website at www.cityofbell.org. The website was not prepared for the purposes of this Offer to Purchase. You should only rely on the information found in this document in deciding whether or not to tender your bonds. The City has no current audited financial statements. The City's auditors are currently working to complete the audit for fiscal year 2009-10. After they complete the audit for fiscal year 2009-10, the auditors will focus on the City's audit for fiscal year 2010-11.

PLEASE NOTE

ALL OF THE TERMS AND CONDITIONS OF THE OFFER TO PURCHASE ARE SET FORTH IN THIS QUESTIONS AND ANSWERS DOCUMENT, THE OFFER LETTER OF CITY OF BELL DATED _____, 2012, AND THE RELATED SOLICITATION FEE PAYMENT REQUEST NOTICE (COLLECTIVELY, "THE MATERIALS"). YOU SHOULD READ THE MATERIALS THOROUGHLY IN ORDER TO MAKE AN INFORMED DECISION REGARDING THE TENDER OFFER.

THE CITY OF BELL RESERVES THE RIGHT TO CANCEL THIS OFFER TO PURCHASE AT ANY TIME ON OR PRIOR TO THE DEADLINE DATE, AS EXTENDED FROM TIME TO TIME, IN ITS SOLE DISCRETION. THERE WILL BE NO OBLIGATION TO PURCHASE BONDS PREVIOUSLY TENDERED IF CANCELLATION OCCURS. NOTICE OF ANY SUCH CANCELLATION WILL BE GIVEN TO BOND OWNERS THROUGH PROVISION OF SUCH NOTICE TO YOUR BROKER AND EMMA AT HTTP://EMMA.MSRB.ORG, AS WELL AS POSTED ON THE INTERNET AT *WWW.BONDCOM.COM/BELL*, PROMPTLY AFTER THE DATE WE DECIDE TO CANCEL.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION REGARDING THE TENDER OFFER ON BEHALF OF THE CITY OF BELL OR THE INFORMATION AND TENDER AGENT THAT IS NOT CONTAINED IN THE MATERIALS. IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.

NEITHER THE CITY OF BELL, NOR THE INFORMATION AND TENDER AGENT MAKE ANY RECOMMENDATION AS TO WHETHER OR NOT BOND OWNERS SHOULD ACCEPT THE OFFER TO PURCHASE.

THE CITY OF BELL WILL REIMBURSE BANKS AND BROKERAGE FIRMS FOR THEIR REASONABLE EXPENSES IN FORWARDING THE TENDER OFFER MATERIALS TO THEIR CUSTOMERS. SUCH REIMBURSEMENT WILL BE AT LEVELS ESTABLISHED BY THE NEW YORK STOCK EXCHANGE. IN ADDITION, FOR EXPLAINING THE TENDER OFFER TO THEIR CUSTOMERS AND THEIR TIME IN PROCESSING TENDERS, CITY OF BELL WILL PAY BANKS AND BROKERAGE FIRMS A SOLICITATION FEE OF $7.50 PER $1,000 PRINCIPAL AMOUNT OF BONDS TENDERED AND ACCEPTED FOR PURCHASE (AS DESCRIBED IN THE CITY OF BELL SOLICITATION FEE PAYMENT REQUEST NOTICE).

THIS OFFER TO PURCHASE IS NOT BEING MADE TO, NOR WILL TENDERS BE ACCEPTED FROM OR ON BEHALF OF, BOND OWNERS IN ANY JURISDICTION IN WHICH THE MAKING OF THIS TENDER OFFER OR THE ACCEPTANCE THEREOF WOULD NOT BE IN COMPLIANCE WITH THE LAWS OF THAT JURISDICTION.

The Information and Tender Agent is:

Bondholder Communications Group
30 Broad St., 46th floor
New York, NY 10004
Attention: Clara Barton
Tel: (888) 385-2663
E-mail: cbarton@boncom.com
Website: www.bondcom.com/Bell

ESCROW AGREEMENT
RELATING TO THE REDEMPTION OF A PORTION OF
CITY OF BELL, CALIFORNIA
GENERAL OBLIGATION BONDS (ELECTION OF 2003) SERIES 2007

THIS ESCROW AGREEMENT, dated as of _____, 2012 (this "Escrow Agreement"), is made by and between the City of Bell, California (the "City") and U.S. Bank National Association, as escrow agent hereunder (the "Escrow Agent") and as paying agent for the 2007 Bonds (defined herein) under the Paying Agent Agreement, dated as of August 1, 2007 (the "Paying Agent Agreement"), by and between the City and U.S. Bank National Association (the "Paying Agent") (capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Paying Agent Agreement),

W I T N E S S E T H:

WHEREAS, pursuant to an authorization received at the general election of November 4, 2003 and a resolution adopted by the City Council of the City on May 7, 2007, the City authorized and issued $35,000,000 aggregate principal amount of its General Obligation Bonds (Election of 2003) Series 2007 (the "2007 Bonds"), of which $_____ aggregate principal amount remains outstanding; and

WHEREAS, the City desires to set aside legally available funds to pay a portion of the 2007 Bonds as they become due as specified on Schedule A-1 hereto and to redeem a portion of the 2007 Bonds as specified on Schedule A-2 hereto (the "Redeemed Bonds") pursuant to this Escrow Agreement;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Escrow Agent agree as follows:

SECTION 1. Deposit of Moneys; Funding of Debt Service; Redemption. The City hereby irrevocably deposits with the Escrow Agent, as agent for the Treasurer of the City, the amount of $_____ (the "Deposit") in immediately available funds to be held in an irrevocable escrow by the Escrow Agent in a fund hereby created and established to be known as the "Escrow Fund" and to be applied solely as provided in this Escrow Agreement. Amounts in the Escrow Fund shall be withdrawn by the Escrow Agent and transferred to the Paying Agent on each February 1 and August 1, commencing on August 1, 2012, for application by the Paying Agent on each succeeding Interest Payment Date to the payment of principal of and interest on the 2007 Bonds, as set forth in Schedule B hereto. The Deposit shall not be invested in any investment with a yield exceeding ____%. On August 1, 2017, the Escrow Fund shall constitute the Redemption Account provided for under Section 4.04 of the Paying Agent Agreement and the City hereby directs the Paying Agent to redeem the Redeemed Bonds in accordance with this Escrow Agreement and the Paying Agent Agreement. The Deposit is at least equal to an amount sufficient to purchase Federal Securities, as defined in the Paying Agent Agreement, the principal of and interest on which when due will provide moneys which, together with the other moneys deposited with the Escrow Agent at the time pursuant hereto, shall be sufficient to pay

and redeem on August 1, 2017 (the "Redemption Date") the $_____ principal amount of the Redeemed Bonds maturing on and after August 1, 2018, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the Redemption Date. The amounts required to be paid on the Redeemed Bonds are set forth on Schedule A-2 hereto.

SECTION 2. Investment of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1 hereof and agrees immediately to invest such moneys in the specific Federal Securities set forth in Schedule B hereto and to deposit such Federal Securities in the Escrow Fund. Any moneys in the Escrow Fund not so invested shall be held as cash except as provided in Section 3 or 4 herein.

SECTION 3. Investment of Any Remaining Moneys. If the Escrow Agent shall receive (i) any cash payment not required for the initial purchase of Federal Securities set forth in Schedule C hereto, if any, or (ii) any payment of principal or interest from the Federal Securities prior to the date on which such payment is required for the purposes set forth herein, then, at the written direction of the City, the Escrow Agent shall reinvest the amount of such payment, or any portion thereof, in non-callable Federal Securities maturing in an amount at least equal to the purchase price thereof and maturing not later than the date on which such payment or portion thereof is required for the purposes set forth in Section 5, as verified in a report (a "Verification Report") prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions (a "Verification Agent") and provided the City has obtained and delivered to the Escrow Agent an unqualified opinion of nationally recognized bond counsel that such reinvestment will not adversely affect the exclusion from gross income of interest payable on the 2007 Bonds for purposes of federal income taxation. The Escrow Agent shall monitor compliance with the foregoing requirements. Any investment income resulting from investment or reinvestment of moneys pursuant to this Section 3 which are not required for the purposes set forth in this Section 3 or in Section 5, as verified in the letter (the "Verification Letter") of _____, certified public accountants, originally obtained by the City with respect to the Redeemed Bonds and attached as Exhibit A hereto or in any other Verification Report, shall be transferred to the Debt Service Account to be applied as directed by the City (after consultation with bond counsel).

SECTION 4. Substitution of Securities. Upon the written request of the City, and subject to the conditions and limitations herein set forth, the Escrow Agent shall sell, redeem or otherwise dispose of the Federal Securities, provided that there are substituted therefor from the proceeds of the Federal Securities set forth on Schedule C hereto, other Federal Securities satisfying the criteria set forth in the Paying Agent Agreement, but only after the City has obtained and delivered to the Escrow Agent (i) an unqualified opinion of nationally recognized bond counsel that such reinvestment will not adversely affect the exclusion from gross income of interest payable on the 2007 Bonds for purposes of federal income taxation, and (ii) a report by a Verification Agent to the effect that such reinvestment will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay when due the principal or redemption price of and interest on the Redeemed Bonds on the Redemption Date specified herein. The Escrow Agent shall not be liable or responsible for any loss resulting from any reinvestment made pursuant to this Escrow Agreement and in full compliance with the provisions hereof.

SECTION 5. Payment of Redeemed Bonds.

(a) Payment. From the maturing principal of the Federal Securities and the investment income and other earnings thereon, if any, and moneys on deposit in the Escrow Fund, the Escrow Agent shall pay the Redeemed Bonds set forth on Schedule A-2 hereto. Any moneys remaining in the Escrow Fund after payment of the principal of and interest on the Redeemed Bonds in full as provided herein shall be repaid by the Escrow Agent to the City.

(b) Irrevocable Instructions to Provide Notice. The Escrow Agent (as Paying Agent for the Redeemed Bonds) shall provide notice of the redemption of the Redeemed Bonds to be redeemed in accordance with the Paying Agent Agreement, and with a copy of such notice to the Bond Insurer and such other parties as required.

(c) Unclaimed Moneys. Subject to applicable law, any moneys which remain unclaimed for two (2) years after the date when such moneys have become due and payable, shall be repaid by the Escrow Agent to the City as its absolute property free from trust, and the Escrow Agent shall thereupon be released and discharged with respect thereto and the owners of Redeemed Bonds shall look only to the City for the payment thereof; provided, however, that before being required to make any such payment to the City, the Escrow Agent shall, at the expense of the City, cause to be mailed to the Owners of any Redeemed Bonds that remain unpaid at the addresses shown on the registration books maintained by the Redeemed Bonds Paying Agent, a notice with respect to the Redeemed Bonds so payable and not presented and that such moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than thirty (30) days after the date of the mailing of such notice, the balance of such moneys then unclaimed will be returned to the City.

SECTION 6. Application of Certain Terms of the Paying Agent Agreement. All of the terms of the Paying Agent Agreement relating to the making of payments of principal and interest on the Redeemed Bonds are incorporated in this Escrow Agreement as if set forth in full herein. The procedures set forth in the Paying Agent Agreement relating to the resignation and removal of the Redeemed Bonds Paying Agent are also incorporated in this Escrow Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

SECTION 7. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein.

SECTION 8. Escrow Agent's Authority to Make Investments. Except as provided in Sections 2, 3 and 4 hereof, the Escrow Agent shall have no power or duty to invest any funds held under this Escrow Agreement or to sell, transfer or otherwise dispose of the moneys or Federal Securities held hereunder.

SECTION 9. Indemnity. The City hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages,

penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Escrow Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the purchase of the Federal Securities, the retention of the Federal Securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Escrow Agreement; provided, however, that the City shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the willful breach by the Escrow Agent of the terms of this Escrow Agreement. In no event shall the City or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Escrow Agreement.

SECTION 10. Responsibilities of Escrow Agent. The Escrow Agent and its employees, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the purchase of the Federal Securities, the retention of the Federal Securities or the proceeds thereof, the sufficiency of the Federal Securities to pay the Redeemed Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the City, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the Federal Securities to accomplish the redemption of the Redeemed Bonds or to the validity of this Escrow Agreement as to the City and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Escrow Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the City, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the City.

SECTION 11. Amendments. This Escrow Agreement is made for the benefit of the City and the owners from time to time of the Redeemed Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the City; provided, however, that the City and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Escrow Agreement or enter into such agreements supplemental to this Escrow Agreement as shall not adversely affect the rights of such owners

and as shall not be inconsistent with the terms and provisions of this Escrow Agreement or the Paying Agent Agreement, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Escrow Agreement; and (ii) to include under this Escrow Agreement additional funds, securities or properties. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the Redeemed Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Term. This Escrow Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either (i) the date upon which the Redeemed Bonds have been paid in accordance with this Escrow Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(c) of this Escrow Agreement.

SECTION 13. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent and the City; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Escrow Agreement.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

SECTION 15. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 16. Governing Law. THIS ESCROW AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 17. Insufficient Funds. If at any time the moneys and investments in the Escrow Fund, including the anticipated proceeds of and earnings thereon, will not be sufficient to make all payments required by this Escrow Agreement, the Escrow Agent shall notify the City in writing, immediately upon becoming aware of such deficiency, of the amount thereof and the reason therefor to the extent known to it. The Escrow Agent shall have no responsibility regarding any such deficiency.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed by their duly authorized officers and attested as of the date first above written.

CITY OF BELL

By: _____
Mayor

Attest:

By: _____
City Clerk

Approved as to Form and Legal Content:

By: _____
City Attorney

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent and Paying Agent

By: _____
Authorized Officer

SCHEDULE A-2

2007 BONDS TO BE PAID

[To be provided]

SCHEDULE A-2

REQUIREMENTS OF THE REDEEMED BONDS

[To be provided]

Date	Principal	Interest	Principal To be Redeemed	Total

SCHEDULE C

DEBT SERVICE REQUIREMENTS

[To be provided]

SCHEDULE B

FEDERAL SECURITIES

[To be provided]

Type	Maturity Date	Par Amount	Rate	Cost

EXHIBIT A

VERIFICATION LETTER

[To be provided]

SOLICITATION FEE PAYMENT NOTICE
with respect to the

OFFER TO PURCHASE
made by the
CITY OF BELL
to its Bondholders for them to accept an Offer to Purchase bonds listed in the Offer to Purchase dated _____, 2012

I understand that the City of Bell has agreed to pay to any commercial bank or trust company having an office, branch or agency in the United States, and any firm that is a member of the Financial Industry Regulatory Authority ("**FINRA**") or a registered national securities exchange a solicitation fee of $7.50 per $1,000 par amount of the above-referenced bonds that are tendered and accepted for purchase from each of its retail customers by the city pursuant to the city's Offer to Purchase bonds.

This solicitation fee request constitutes a representation that (i) in making solicitations, I and my firm did not use any materials other than the Cover Letter and the Questions and Answers, and (ii) my firm is entitled to this solicitation fee under the terms and conditions described above, and (iii) if my firm is a foreign broker or dealer not eligible for membership in FINRA, but is a member of a registered national securities exchange, it has agreed to conform to FINRA's Rules of Fair Practice in making a solicitation outside the United States as if it were a FINRA member.

FAILURE TO COMPLETE ALL SECTIONS ONLINE WILL RESULT IN NON-PAYMENT.
THIS REQUEST MUST BE ELECTRONICALLY SIGNED BY A REGISTERED REPRESENTATIVE.

Complete the request online at www.bondcom.com/Bell no later than 5:00 p.m. New York City time on the first business day following the expiration date of the Offer to Purchase (presently scheduled for June 28, 2012). No payment of a solicitation fee will be made on requests received after this time. Facsimile copies and spreadsheets received via email will not be accepted for payment.

The Information and Tender Agent:
BONDHOLDER COMMUNICATIONS GROUP, LLC
Attention: Clara Barton
30 Broad Street, 46th Floor
New York, NY 10004
Call toll Free: (888) 385-BOND or (888) 385-2663
Tel: (212) 809-2663
Fax: (212) 437-9827
Email: cbarton@bondcom.com
Website: www.bondcom.com/Bell

All questions as to the validity, form and eligibility (including the time of receipt) of Solicitation Fee Payment Requests will be determined by the city, in its sole discretion, which determination will be final, conclusive and binding. None of the city, or Bondholder Communications Group, LLC, as the Information and Tender Agent, or any other person is under any duty to give notification of any defects or irregularities in any Solicitation Fee Payment Request or incur any liability for failure to give this notification.

RECOMMENDATION TO BE MADE FOLLOWING CLOSED SESSION ON LABOR NEGOTIATIONS

City of Bell
Agenda Report

DATE: June 6, 2012

TO: Mayor and Members of the City Council

FROM: Nancy Fong, AICP, Interim Community Development Director

APPROVED: BY Arne Croce, Interim City Manager

SUBJECT: Consideration of Building and Safety Services Request for Proposal

RECOMMENDATION:

Approve the Request for Proposal (RFP) for Building and Safety Services; and, Authorize staff to issue and receive proposals for the Building and Safety Services

BACKGROUND:

A. Building and Safety Division's Operation

Before September 2010, the Building and Safety Division was a contract service from a consulting firm that provided a part time Chief Building Official and two full time staff, namely a Building Inspector and a Permit Technician. After September 2010 the previous consulting firm was relieved of the contract service and the previous Chief Administrative Officer hired the two staff from the previous consulting firm to be the City's full time employee to provide Building and Safety services during that difficult and transition period.

Only one Building and Safety staff member, Permit Technician, hired by the previous Chief Administrative Officer has been granted full time permanent employee status. Currently, an interim part time Building Inspector from the City Engineer's firm is providing the necessary inspections for the vacated Building Inspector position. The interim Building Inspector provides 8 to 10 hours a week and as needed.

The day to day activities such as information about the permit and plan check processes, and inspections requests, the Permit Technician would handle the inquires whether they are over the counter, phone-in or electronic inquires. For specific and more technical questions on Building Codes, the Permit Technician would refer the inquires to the Building Inspector to answer. The plan check services and the related construction inspections are being provided by four (4) on-call consultants, whose services are being rotated weekly. The Permit Technician will take in the plans for plan check, calculate the fees and have the applicant pay the fees. The Permit Technician then prepared the plan packets to be shipped to the plan check provider for the week. The Permit Technician will receive the completed plan check and then called the applicant to pick up the plans for corrections. This process will repeat until the plan check is approved and permit can be issued.

AGENDA ITEM NO.

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B. Operational and Service Delivery Problems

A function of the Interim Community Development Director who came on board in November 2011 was to assess the staffing, the department organization, and make recommendations for improvements if necessary. The following are the observations on the Building and Safety operation and service delivery areas:

1. Procedural gap. The City does not have informational handouts on the permit and plan check processes, the submittal requirements for the plan checks, other pertinent information such as details and specifications for minor permits on re-roof, wall and fence details, patio structures and others. These handouts are useful as a communication tool for staff to inform and educate our residents and our business community about the permit process and about the type of plans they have to prepare for plan check before obtaining permits. The procedural gap can be remedied with the help of a part time Building Official, who will determine the types of handouts and the procedures that best serve the needs of City of Bell.

2. Communication gap. During the course of plan check, there is often a need for a lot of communication between the applicant and the plan checker. The current practice of rotating plan check services among four firms provides a great opportunity for miscommunication between the applicant and the City. Further if the applicant challenges some code interpretation and the plan checker refers to the City for directions, the City does not have a Building Official that can provide the direction on the technical codes application that is best for the City. This could add to the turnaround time for completion of the plan check process. Having a single firm with a designated plan checker and Building Official will close up this communication gap and lead to efficiency for plan check services.

3. Efficiency and quality control gap. Currently, the City use four on-call plan check providers from four separate consulting firms and their services are being rotated weekly. This could mean significant deviation in the interpretation and application of the Building Code regulations in that one plan checker from one consulting firm may interpret more leniently in the application of the regulations while another may be more absolute and straight. This leads to unfair, inequitable and inefficiency on the plan check for our residents and business community. Having a designated firm with a designated Building Official to oversee the quality control of the plan check services, it will close up this efficiency and quality control gap.

DISCUSSION:

As discussed in the above Background section, there is a need for improving the Division structure and staffing to increase the consistency and efficiency in the service delivery to our residents and business community. This part of the report describe the Request for Proposal process to obtain a highly qualified consulting firm that will provide the service delivery to the City of Bell.

A. Request for Proposal

1. General Responsibilities. In the Request for Proposal the selected firm will work under the direction of the Community Development Director and assume the responsibility for the operation of the Building and Safety Division. The selected firm will carry out the normal and day-to-day activities and functions of the Division. This includes, but is not

limited to Building Official services, development review of new projects, counter assistance, plan checking services, building inspection services, and building code compliance. The selected firm will be expected to provide excellent front-line customer service to the City's patrons, responding quickly and effectively to the walk-in, telephone and electronic inquiries of the public related to Building and Safety services. The selected firm may also be required to develop, establish or recommend City policies and procedures to maintain or improve City's Building and Safety operations.

2. Part time Building Official. The selected firm will provide a highly qualified Building Official, acceptable to the Community Development Director, that will be at the City Hall about 5 hours a week. Additionally, the Building Official will also be available on an as needed basis for questions and quality control of work during the time he/she is not at City Hall.

3. Plan Checking Services. The selected firm will provide highly qualified plan check professionals, on as needed basis, that are committed to providing the most efficient, accurate and timely plan check services possible to meet the needs of the City. The selected firm will provide such personnel based on the volume of work and the City's expected plan check turn-around times.

4. Part Time Building Inspector. Provide a Building Inspector, acceptable to Community Development Director, who is available at City Hall part time between 8 to 10 hours a week and as needed to provide inspection services. It is specify in the Request for Proposal that the selected firm will ensure that the assigned part time staff including field personnel is bi-lingual.

B. Selection Process

The proposals will be evaluated on the following items:

1. The firm's experiences, qualifications, and its proposed personnel on providing similar building and safety services to a public agency.
2. The firm's knowledge of public agencies, particularly municipalities and show their understanding of the needs and requirements of the City.
3. The firm's proposed approach in meeting the needs of the City.
4. The firm's ability in performing control such as but not limited to control costs, accurate and timely invoices, monitor and stay within the budget, monitor schedule and review the timeframes and the techniques used to complete projects within the proposed timeframes.

A 3-member Ad Hoc Committee consisting of Building Official, Community Development or Community Services Director from adjacent cities will be set up to assist in the selection process. The Ad Hoc Committee will review the RFP's and any requested presentations and/or oral interviews to gather information that will assist in making the recommendation.

D. RFP Schedule

1. June 7, 2012 - Once the RFP is approved by the City Council, staff will proceed to issue RFP to a list of consultant. The RFP will be posted on the City web.
2. June 25, 2012 - Deadline to submit to the City
3. June 28, 2012 - RFP sent to Ad Hoc Committee for review and analysis

4. Ist week in July - Oral interview of the most qualified firms with the Ad Hoc Committee
5. July 18, 2012 - City Council review and approve the contract at this regular meeting

Staff believes that having one consulting firm that provides the Building Official services, plan checking and inspection services will increase the service level to the residents and the business community.

FISCAL IMPACT:

The recommended action to issue the Request for Proposal and for the subsequent review of the proposals would have minimum fiscal impacts related to staff time. The Building and Safety services contract is paid for with a portion of the fees collected by the City from the building plan check fees and various permits fees. These fees are sufficiently to pay for the administrative cost of providing a part time Building Official and a Building Inspector. Staff anticipates that the hourly rate for a Building Official is around $100 to $110 and the hourly rate for a Building Inspector is around $70 to $75.

Under current service delivery, the City has a full time building inspector that provided mostly inspection services. The weekly work load was such that it does not take a full 40-hour week to complete the requested inspection services. The compensation for the full time Building Inspector is approximately $62,800.00 annually with benefits. Based on the projected 10 hours per week for the part time Building Inspector and 5 hours per week for the part time Building Official, the total cost projected is $52,400.00 for Fiscal Year 2012-13. Staff has budgeted $90,000 (professional services) for the part time Building Official and Building Inspector. The proposed budget would accommodate the projected annual cost of the Building and Safety services including any increase in the service level as a result of an increase in the development and permit activities.

Calendar Year	A Permit Fees	B Plan Check Fees	C Total Revenue (A+B)	D Plan Check Cost (53% of Plan Check Fees)
2009	$136,103.00	$ 59,519.00	$195,622.00	$ 31,545.00
2010	$116,650.00	$ 58,350.00	$175,000.00	$ 30,925.00
2011	$118,862.00	$ 72,112.00	$190,974.00	$ 38,219.00

ATTACHMENT:

1. Request for Proposal for Building And safety Services

REQUEST FOR PROPOSAL

CITY OF BELL REQUEST FOR PROPOSAL BUILDING AND SAFETY SERVICES

SUBMITTAL:	One (1) original and five (5) copies must be received on or before **Monday, June 25, 2012 by 4:00 pm**
ADDRESSED TO:	City Clerk
ADDRESS:	City Hall, City of Bell, 6330 Pine Avenue, Bell, CA 90201
MARK ENVELOPES:	RFP for Building and Safety Services – Do not Open
INQUIRIES:	Direct questions for clarification of this Request for Proposal (RFP) document to Nancy Fong, AICP, Interim Community Development Director: nfong@cityofbell.org 323-588-6211

PROPOSAL RECEIVED AFTER THE TIME AND DATE STATED ABOVE SHALL BE DEEMED NONRESPONSIVE AND RETURNED UNOPENED TO THE PROPOSER.

City of Bell
Founded in 1927. Renewed in 2011.

I. PURPOSE

The City of Bell (City) is requesting proposals from qualified consulting firms that have the experiences and support capabilities to provide municipal building and safety services to manage and operate the Building and Safety Division under the Community Development Department.

II. THE CITY

The City of Bell, founded in 1927 and renewed in 2011, is a community of over 35,400 residents within 2.8 square miles. Bell is located on the west bank of the Los Angeles River and is a suburb of the City of Los Angeles. Bell, a charter city since 2000 and has a Council/Manager form of government.

The City is built out with 9,217 residential units. The existing housing stock is aging and the opportunities for renovations and additions of existing housing units or demolishing existing housing units and rebuilding new housing units will continue to increase. Commercial corridors are Atlantic Boulevard, Gage Avenue, and Florence Avenue. These commercial corridors may have opportunities ranging from tenant improvements, updating of existing commercial centers to the demolishing and redeveloping the commercial sites. The northeast area of the City is the existing industrial zone that has opportunities for tenant improvements for existing industrial complexes and new development for over 50 acres of available land.

III. THE CITY'S BUILDING AND SAFETY DIVISION

Building and Safety safeguards life, property and ensures public safety by applying current City and State building codes standards, including standards for disabled access energy conservation, seismic, structural, grading, historic building preservation, etc., to the private and public properties.

Before September 2010, the Building and Safety Division was a contract service that provided a part time Chief Building Official and two full time staff, specifically a Building Inspector and a Permit Technician. Currently, the City does not have a Building Official and has one interim part time Building Inspector working 8 to 10 hours a week. The plan

check services and the related construction inspections are being provided by four (4) on-call consultants, whose services are rotated weekly.

The City desires to retain a qualified consulting firm that will provide a part time Building Official between 5 to 8 hours a week and a part time Building Inspector between 8 to 10 hours a week for the day-to-day activities and functions of the Building and Safety Division. In addition, the qualified consulting firm will provide plan check services for the City.

IV. SCOPE OF WORK AND SERVICES

A. General Responsibilities

Under the direction of the Community Development Director, the selected firm would assume the responsibility for the operation of the Building and Safety Division and would provide the range of expertise necessary to carry out the normal and day-to-day activities and functions of the Division. This includes, but is not limited to providing professional services in all of the following areas: Building Official services, development review of new projects, counter assistance, plan checking, building inspection services, and building code compliance. It is the City's intent to select one (1) firm to provide the requested services.

The City of Bell is committed to providing the most efficient and timely customer service possible to meet the needs of the community. The selected firm will be expected to provide excellent front-line customer service to the City's patrons, responding quickly and effectively to the walk-in, telephone and electronic inquiries of the public related to Building and Safety services. The selected firm may also be required to develop, establish or recommend City policies and procedures to maintain or improve City's Building and Safety operations. The selected firm will be expected to work closely with all City departments and ensure the appropriate requirements of those departments are incorporated in the Building and Safety Division's operating standards and processes.

B. Building Official Services

The selected firm shall provide a highly qualified individual to serve as the City's Building Official. The Building Official shall oversee plan checking, building inspections, code compliance and acts as an official City representative on building related matters. Specific responsibilities include but are not limited to the following:

1. Quality control review of plan checks and inspections
2. Building Code updates and adoption
3. Resolution of resident inquiries and complaints
4. Building Official Administration, processing of complex Building Code issues and dispute resolution
5. Participate in the City's Architectural Review Board
6. Building and Safety procedure manual
7. Monthly reporting of Building and Safety activities and annual reporting
8. Participate in pre-development review and provide comments
9. Processing of Planning Commission and City Council staff reports(as needed)
10. Attendance at Planning Commission and City Council meetings (as needed)

The ideal proposal would include a Chief Building Official (CABO) who is available to be at the City part-time and as needed, has Building Official experiences, is customer-service oriented, and has experiences with managing multiple tasks, assignments and responsibilities. The Building Official shall also be available on an as needed basis for questions and quality control of work during the time he/she is not at City Hall.

C. Inspection Services

Provide a Building Inspector, acceptable to Community Development Director, who is available at City Hall part time and as needed to provide Building and Safety services. Specific responsibilities include but are not limited to the following:

1. Inspection services for code, accessibility, grading, building, electrical, mechanical and plumbing work, etc
2. Handle resident inquiries and resolve complaints
3. Construction and demolition permitting process
4. Code administration, inspection and enforcement
5. Prepare pre-sale reports
6. Maintain records and files concerning construction permits and building code administration, documents for storage and/or imaging

The ideal proposal would include a Building Inspector (ICBO) who is available to be at the City part-time and as needed, has inspection experiences, is customer-service oriented, and has experiences with managing multiple tasks, assignments and responsibilities. The selected firm shall ensure that the assigned part time staff including field personnel is bi-lingual.

D. Provide Plan Check Services

The selected firm shall provide qualified plan check professionals on as needed basis. The selected firm shall provide such personnel based on the volume of work and the City's expected plan check turn-around times as described in Section E below.

1. Plan checking includes code, accessibility, grading, erosion control, building, electrical, and plumbing work, etc. Fire code plan review will continue to be performed by Los Angeles County Fire Department
2. Plan check monitoring, permit issuance for grading, building, electrical, mechanical and plumbing work, etc.
3. Inspection services for code, accessibility, grading, building, electrical, mechanical and plumbing work, etc
4. Building and Safety Procedural Manual
5. Construction and demolition permitting process

The ideal proposal would include highly qualified plan check professionals that are committed to providing the most efficient, accurate and timely plan check services possible to meet the needs of the City, has previous City experiences, is customer-service oriented, and has experiences with successfully managing multiple tasks, assignments and responsibilities.

E. Maximum Service Delivery Timeframes

The City has established the "Maximum Timeframes" for the delivery of Building and Safety Services. The selected firm shall provide adequate personnel, based on the level of development activity within the activity at any given time, to ensure that the following timeframes are met.

Service: Plan Check	Timeframe for Delivery
Major plan check such as multi-family residential, commercial and other non-residential project	10 business days
Subsequent & resubmitted plan checks; new single-family house; and, simple tenant improvements for non-residential buildings	5 business days
Minor plan checks such as room	3 business days if submitted into plan check

additions of single-family house, detached structures, re-roofing, etc.,	or over the counter during a designated time period each day
Building inspection	The following working day if request is received before 2 p.m.
Grading plan check for new construction	10 business days
Subsequent or resubmitted grading plan checks	5 business days
Grading inspection	The following working day if request is received before 2 p.m.
Service - Counter	
Return of phone calls	Within 24 hours
Monthly accounting and reporting	Completed at the end of each month

The selected firm shall be responsible to ensure that all other Building and Safety duties and follow-up not specifically mentioned in the table above are performed in a timely and responsive manner. The selected firm shall be responsible to ensure all personnel assigned to the City have sufficient on-going training to perform their assigned duties.

F. Emergency Response

In the event of a local or regional emergency or disaster, all on-site personnel provided by the selected firm shall be accessible, available, and prepared to provide Building and Safety services as directed by the City.

G. Terms of Agreement

The agreement for services shall be for the term of three (3) years, commencing from the date of the agreement award until June 30, 2015, subject to certain conditions, with the ability to extend the agreement for up to an additional two years. A sample of the professional services contract agreement is attached for review.

H. City Provided Office Space and Equipment

The city will provide only the office space and equipment for use in performing building and safety services. The selected firm will have to provide their computers, vehicles, and other equipment to perform their tasks.

1. Use of office space
2. Use of land lines phones
3. Copiers
4. Use of office furniture

V. PROPOSAL FORMAT AND INSTRUCTIONS

In order to maintain uniformity with all proposals submitted, it is requested that the consultant's proposal include the following minimum information:

A. Cover letter

The cover letter should include an executive summary and state why your firm believes itself to be the best qualified to perform the service requested

B. Summary Sheet

1. Provide name, title, experience and qualifications of the personnel who will be assigned to the project
2. Provide the resume of the management contact with the City

C. Allocation of Resources

Provide a clear conceptual plan for services to the City that you believe are appropriate for the City. Indicate features, skills and/or services, which distinguish your firm and make it the better choice for the City. Indicate how the resources of your firm (e.g. number and type of personnel allocated by hours) will be allocated for this project. Submittal of a project schedule is required as part of the allocation of resources. Provide the experiences of proposed personnel and resumes of personnel to be used.

D. Scope of Services

Proposals must address all items set forth in the "Scope of Services" section of the RFP. The items must be addressed in the order in which they appear in the "Scope of Services" section.

E. Previous relevant projects and references

List similar services performed for all similar organizations and entities in the last five years and when performed. Show names of organizations, names and telephone numbers of persons who can be contacted with regard to the services you have provided.

F. Proposed Cost Estimate

Provide an itemized cost estimate for the complete scope of work and services described above.

VI. PROPOSAL EVALUATION AND SELECTION

The following selection criteria will be used in evaluating the proposal and in selecting the successfully consulting firm.

A. Proposed Personnel

Describe the experience and qualifications of the firm and its proposed personnel on providing similar building and safety services to a public agency. Describe the availability of the proposed personnel and overall firm capabilities to meet the additional needs of the City.

B. Project Understanding and Approach

Demonstrate the firm's knowledge of public agencies, particularly municipalities and show your understanding of the needs and requirements of the City. Describe the proposed approach and the services that the firm is capable of providing; and, describe how the firm's approach meets the needs of the City.

C. Project Controls

Describe the firm's ability in performing control such as but not limited to: control costs and provide accurate and timely invoices; monitor and stay within the budget; monitor schedule and review the timeframes; and, describe the techniques used to complete projects within the proposed timeframes.

D. Client References

Provide at least three (3) current references. The references should identify the client, a contact name and telephone number, a description of the services provided and the location where the service was performed. The City also reserves the right to contact the clients that terminated contracts with the firm as listed in the firm's submittal.

E. Cost

Provide a statement of hourly rates, including rates for sub-consultants, if any. If specific individuals are included in the proposal, please specifically identify their rates as well as any proposed percentage markup of reimbursable expenses. The fees need to be clearly identified for each potential year of contract. A percentage of fees collected approach is preferred.

F. Approval

The proposals may be reviewed individually by staff members through an ad hoc committee to assist in the selection process. The finalists may be requested to provide the City a presentation and/or oral interview. The ad hoc committee may review the RFP's as well as any requested presentations and/or oral interviews to gather information that will assist in making the recommendation.

G. The City reserves the right to:

- Reject any and all proposals at its discretion
- Cancel the entire RFP
- Waive any minor errors or informalities in any Proposals, to the extent permitted by law
- Conduct oral interviews
- Visit consultant's facilities
- Issue an amended RFP to ensure compatibility of the proposals for comparison

H. The City will provide only the staff assistance and documentation specifically referred to herein and will not be responsible for any other cost or obligation of any kind which may be incurred by the proposer. All proposals submitted to the City in response to this Request for Proposal shall become the property of the City.

VII. PROPOSAL SUBMITTAL AND PROCESS SCHEDULE

A. The submittal deadline is June 25, 2012, on or before 4 pm.

B. One (1)original and five (5) copies of RFP

C. All proposals must be marked "RFP for Building and Safety Services - Do Not Open" and submitted on or before 4 pm, June XX, 2012

D. All correspondence, including proposals shall be submitted to:

City of Bell
Attn: City Clerk
6330 Pine Ave,
Bell, CA 90201

VIII. AWARD OF CONTRACT

The City Council will review and award the Building and Safety contract service to the successful proposer. The successor proposer will be required to enter into a written contract agreement with the City of Bell subject to City Council and City Attorney review and approval. A copy of the City's professional services contract agreement is included with this RFP. The City reserves the right to negotiate the price, terms and scope of services with the proposer, prior to entering into an Agreement.

ATTACHMENT:
City's professional services contract agreement

City of Bell
Agenda Report

DATE: June 6, 2012

TO: Mayor and Members of the City Council

FROM: Arne Croce, Interim City Manager

APPROVED BY: Arne Croce, Interim City Manager

SUBJECT: 2012-13 Proposed Budget

Recommendation

The City Council conduct the public hearing on the 2012-13 Proposed Budget

Background

Staff has prepared the 2012-13 Proposed City of Bell Budget. The recommended Budget was published on May 25. The public hearing on the budget is June 6; a City Council Budget study session is set for June 13 and budget adoption is scheduled for the regular Council meeting on June 20. A copy of the recommended Budget is available for review on the City's website, at City Hall, the Police Department, Community Centers and the Library.

The purpose of the public hearing is to provide the public with an opportunity to comment on the proposed budget prior to Council adoption. While the published recommended Budget covers all budgeted funds within the City, this discussion continues to focus on the General Fund since the General Fund is where the majority of discretionary funding is appropriated to cover the costs of many of the services provided to the community.

On January 21 a Community Forum on City Priorities was facilitated as an initial input to budget development. This was followed up on January 28, with a City Council goal setting session to identify specific goals the Council would like to try and address in 2012-13. On February 22, 2012 the Council was presented with a five-year financial forecast for the General Fund prepared by consultant Bill Statler. On April 25 the City Council reviewed the status finances for the current year and received an update on development of the 2012-13 Budget.

Discussion

The February forecast projected 2012-13 General Fund revenue at $11,326,300 and expenditures (including net transfers) at $12,846,100, resulting in a projected deficit of $1.5 million. On the revenue side, the forecast assumed the decline in general revenue has bottomed-out and that the City would see revenue growth of approximately 2% annually over the five year period. In estimating expenditures, the forecast used the 2011-12 "bridge budget" as a base and added to this budget those expenses associated with sustaining current services. The expenditure forecast assumed: no change in the compensation and benefits for the City workforce; funding of key management positions not included in the bridge budget; a 2% increase in non-personnel operating costs; and a 5% budget to maintain and replace critical

service infrastructure including vehicles, building components (roofs, heating and air conditioning), technology and major equipment.

Nothing about Bell's budget has been "normal" in recent years. Until the current fiscal year, budgets reflected excessive compensation for select administrators and City Councilmembers. The current year's (2011-12) "bridge budget" does not include the true cost of providing services to the Bell community in a normal setting. On one hand, expenditures are understated by not budgeting for essential management positions and replacement of service infrastructure. On the other hand, the 2011-12 and the 2012-13 budget continue to include very high legal and audit costs necessary for the City to dig out of the wreckage left from the past corruption.

Staff has prepared a budget for 2012-13 that attempts to accurately present the requirements of the City to maintain services and reflect the needs and desires of the community to the extent possible. The proposed 2012-13 Proposed Budget continues to respond to the extraordinary costs associated with the scandal. The beginning and ending available fund balances may also be impacted by the results of the independent audits being conducted for the 2009-10 and 2010-11 fiscal years.

The difference between the February forecast and the 2012-13 proposed budget for the General Fund is summarized below:

	Forecast	Proposed Budget	Difference
Estimated Beginning Fund Balance	$ 1,254,900	$ 1,176,714	($ 78,186)
Revenue	$ 11,326,300	$ 12,703,525	$ 1,377,225
Expenditures/Transfers	$ 12,846,100	$ 12,678,677	$ (167,423)
Revenue Over (Under Expend)	($ 1,519,800)	$ 24,848	$ 1,544,648
Estimated Ending Fund Balance	($ 264,900)	$ 1,201,562	$ 1,466,462

The most significant differences in expenditures are:

- Elimination of the $300,000 annual contribution to the Supplemental Retirement Plan for miscellaneous employees.
- Reduction of General Fund legal service costs from $1 million to $300,000
- Increase in transfers to the Risk Management Fund to settle certain claims and cover what will continue to be additional legal and settlement costs associated with the scandal.
- Funding for major infrastructure needs including a new roof at City Hall in the General Fund and ADA improvements to the City Council Chambers through CDBG.

The budget expenditures continue the assumption of no changes in the salary and benefits of the City's workforce.

Some of the extraordinary costs in 2012-13 term are partially offset by a number of short term or one-time revenues. These include:

Fund balance in the Surplus Property fund:	$150,000
Exchange Prop A funds to another city:	$350,000
Exchange CDBG funds to another city:	$150,000
BCHA payback of loan	$124,000
Total	$774,000

Through the budget process the projected $1.5 deficit has shifted to a surplus of $24,848. Although certainly good news, significant financial challenges continue to face the City. With a projected 6/30/2013 ending fund balance of $1.2 million, the City has less than half of the current policy of a 25% general reserve.

Historical Comparison

One way to get a picture of the dramatic change in the City's finances in recent years is to compare the last General Fund budget prepared by the former permanent administration—2010-11 to the proposed General Fund budget for 2012-13. This comparison is in the following table.

	2010-11 Budget	2012-13 Proposed Budget	Difference
Revenues	$ 16,052,272	$ 12,703,525	($ 3,348,747)
Expenditures/Transfers	$ 14,912,759	$ 12,678,677	$ 2,234,082
Change in Avail. Bal.	$ 1,139,513	$ 24,848	($ 1,114,665)

The difference in revenue reflects the impact of the recession in Bell and the loss of major sales tax generators. It also reflects a decrease in the excessive revenue collected from towing. The significant decrease in expenditures reflects the end of the excessive compensation and a reduction in the number of City personnel.

Conclusion

The bottom line is that the next few years will be rough as the City absorbs the financial toll required to address the legacy of the scandal. Looking beyond these next few years, the City has potential of achieving and maintaining service and financial stability. A rebuilding of the sales tax base, implementation of an alternative policing strategy and careful management of compensation costs would put the City on sound future financial footing. Recovery of losses resulting from the scandal would provide revenue to address the short-term extraordinary expenditures, rebuild key reserves and, if sufficient, fund some community improvements.