City Council Agenda

Regular Meeting

Wednesday, December 14, 2011
6:30 PM Closed Session
7:30 PM Open Session

Bell Community Center
6250 Pine Avenue

Ali Saleh
Mayor

Danny Harber
Vice Mayor

Violeta Alvarez
Council Member

Ana Maria Quintana
Council Member

Nestor E. Valencia
Council Member

Welcome to the City Council Meeting

The Bell City Council and staff welcomes 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.

Regularly City Council meetings are held the second and fourth 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.

Meeting of
Bell City Council
Bell Community Redevelopment Agency
Bell Community Housing Authority
Planning Commission

December 14, 2011
6:30 P.M. Closed Session
7:30 P.M. Open Session

Bell Community Center
6250 Pine Avenue

I. Call to Order

1.01 Roll call of City Council in their capacities as Councilmembers, Community Redevelopment Agency Members, Community Housing Authority Commissioners and Planning Commissioners.

Ms. Alvarez _____
Ms. Quintana _____
Mr. Harber _____
Mr. Valencia _____
Mr. Saleh _____

II. 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 Section III, Closed Session.

III. Closed Session

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

3.01 CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *D&J Engineering v. Bell*; LASC VC059415.

3.02 CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Lisa Ramirez, et al, County of Los Angeles, City of Bell, et al*; U.S. District Court Case No. CV 00457-JHN (M__ X)

3.03 CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Richard Fisher Associates v. Bell*; LASC BC 466983.

3.04 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*

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

3.06 CONFERENCE WITH LEGAL COUNSEL--Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: (4)

IV. Pledge of Allegiance

4.01 Pledge of Allegiance to the Flag.

V. Presentation

5.01 Proclamation Proclaiming the Month of November 2011 as In-Home Care Providers' Courage to Care and National Family Caregivers Month.

VI. Communications From The Public on Agenda Items Only

This is the time for members of the public to address the City Council, Community Redevelopment Agency, the Community Housing Authority, the Public Finance Authority and the Bell Solid Waste Authority on items that are listed on the open session agenda.

State law prohibits the Council and/or its related authorities and agencies from taking any action on a matter not on this Agenda. Any matter may be referred to the Interim Chief Administrative Officer to submit a report to the Council and/or its related authorities and agencies at the next meeting.

Persons wishing to address the Council and/or its related authorities and agencies during "Communications from the Public" must submit a request on the "blue form" provided by the City Clerk; these requests may be submitted at any time before the beginning of Communications from the Public; provided, however, that requests must be submitted prior to the beginning of the first speaker's remarks.

VII. Consent Calendar

The following Consent Calendar items are expected to be routine and non-controversial. They are acted upon by the City Council at one time without discussion. Pursuant to the Ralph M. Brown Act public comments may be received on these items prior to the time action is taken.

7.01 Approval of General Warrants, Community Redevelopment Agency and Community Housing Authority Warrants dated November 22, 2011 through December 14, 2011. 1-16

Recommendation: Approve the warrants.

7.02 Receive and File Conflict Waiver by Aleshire and Wynder. 17-48

Recommendation: Receive and file the Conflict Waiver Letter from City Attorney Aleshire & Wynder.

VIII. Council Business

The following items have no legal publication requirements. Pursuant to the Ralph M. Brown Act, public comments may be received on these items prior to the time action is taken by the City Council.

8.01 Update from MGO on the progress of the City's audit.

Recommendation: Hear report from Jim Godsey, Principal with MGO, Bell's auditors.

8.02 Consideration of Goal Setting Process for 2012--13 Budget Process. 49-62

Recommendation: Approve the goal setting process for 2012-13.

8.03 Consideration of General Obligation Bond Workout Plan. 63-108

Recommendation: Adopt a resolution approving the General Obligation Bond Work-Out Plan and related implementation actions.

8.04 Consideration to Direct the Interim Chief Administrative Officer to Continue the Classification and Compensation Study Consistent with the Compensation Parameters Recommended by CPS HR Consulting. 109-118

Recommendation: Approve the cities and job classifications to be used in the classification and compensation study.

8.05 Consideration of Attendance at the League of California Cities New Mayors and Councilmembers Academy in Sacramento on January 18--20 2012. 119-127

Recommendation: Confirm attendance at the League of California Cities New Mayors and Councilmembers Academy in Sacramento on January 18-20, 2012.

8.06 Consideration of Ordinance Establishing a Moratorium on the Acceptance, Processing or the Issuance of Conditional Use Permits, or Entitlements for All Recycling Facilities in the City of Bell. 128-135

Recommendation: Adopt urgency ordinance establishing a moratorium on recycling facilities; and direct staff to prepare a study to examine the adequacy of current development standards and the need to establish new regulations for recycling facilities in the city.

IX. Public Hearing of the Planning Commission

The following items have been posted as a Public Hearing as required by law. The Chair will open the Public Hearing to receive testimony from the members of the public.

9.01 Continued Public Hearing for Consideration of Conditional Use Permit No. 2011-08 to Allow a Large Recycling Collection Facility to be Located within an Existing 2,048 Square Foot Building to be Established at 3605 Gage Avenue, Bell. 136-137

Recommendation: Accept the letter from the applicant requesting to withdraw from his conditional use permit application.

9.02 Reconsideration of Resolution No. 2011-47 Approving Conditional Use Permit No. 2011-06 and a Determination of Public Convenience or Necessity (PCN) to Allow the Sale for Off-Premises Consumption of Beer and Wine for a Proposed Retail Grocery Located Within an Existing 4,000 Square Foot Building on an Existing 11,362 Square Foot Lot; Location: 6399 Atlantic Avenue within the C-3 Zoning District. 138-145

Recommendation: Review the application and adopt the resolution, as amended.

X. Communications From The Public

This is the time, members of the public may address the City Council, Community Redevelopment Agency, the Community Housing Authority, the Public Finance Authority and the Bell Solid Waste Authority on non-agenda items that are under the subject matter jurisdiction of City Council and/or its related authorities and agencies.

State law prohibits the Council and/or its related authorities and agencies from taking any action on a matter not on this Agenda. Any matter may be referred to the Interim Chief Administrative Officer to submit a report to the Council at the next meeting.

Each person who addresses the Council must do so in an orderly manner and must not make personal, impertinent, slanderous or profane remarks to any member of the council, staff or general public. Any person who makes such remarks, or utters loud, threatening, personal or abusive language or who engages in any other disorderly conduct that disrupts, disturbs or otherwise impedes the orderly conduct of the Council meeting will, at the discretion of the presiding officer or a majority of the Council, be barred from further audience before the Council during that meeting.

XI. 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 Mayor and City Councilmembers.

XII. Adjournment

Next Regular Meeting, Wednesday, January 11, 2012 at 6:00 P.M.

I, Rebecca Valdez, CMC, City Clerk of the City of Bell, certify that a true, accurate copy of the foregoing agenda was posted on December 9, 2011 Seventy-Two (72) hours prior to the meeting as required by law.

Rebecca Valdez, CMC
City Clerk

General

Warrants for

November 22-December 14, 2011

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48796	11/22/11	111201	CITY OF BELL PAYROLL FUND PAYROLL DEPOSIT-PAY 11/23/11	244,218.20
48797	11/23/11	111201	STANDARD INSURANCE COMPANY LIF/ACCIDENTAL INS-NOV'11	1,025.00
48798	11/23/11	111201	VOID VOID-TEST PRINT	0.00
48799	11/23/11	111201	AT&T TELEPHONE BILLING-10/2-11/1/11 6330 PINE AVE	3,605.89
48800	11/23/11	111201	VOID VOID-TEST PRINT	0.00
48801	11/23/11	111201	VOID VOID-TEST PRINT	0.00
48802	11/23/11	111201	AT&T-LONG DISTANCE TELEPHONE BILLING-10/3-11/2/11 LONG DISTANCE-VARIOUS ACCOUNTS	13.46
48803	11/23/11	111201	DELTA DENTAL SERVICE DENTAL INS ADMIN FEE-OCT'11 DENTAL INS CLAIMS-OCT'11	12,220.43
48804	11/23/11	111201	FIRST STUDENT TRANSP SVCS C.CTR-12/05/11 CA PUBLIC UTITLITES HEARING	756.26
48805	11/23/11	111201	FLEET SERVICES GAS CONSUMPTION-9/29-10/30/11 BELL P.D.	9,369.20
48806	11/23/11	111201	THE JARVIS COMPANY 1ST INSTALLATION-HOLIDAY DECOR 1ST INSTALLATION-HOLIDAY DECOR BELL HOUSE	2,525.00
48807	11/23/11	111201	KARINA SALAS-PETTY CASH REIMB PETTY CASH REIMB-COMMUNITY CTR	248.24
48808	11/23/11	111201	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-10/1-11/1 VARIOUS STREET LIGHT ACCOUNTS ELECTRICAL BILLING-10/13-11/15 6510 CLARKSON AVE ELECTRICAL BILLING-10/13-11/15 6800 OTIS TC1	2,516.22
48809	11/23/11	111201	VISION SERVICE PLAN (CA) VISION INS CLAIMS-OCT'11 VISION INS ADMIN FEE-NOV'11	2,572.63

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HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48810	11/23/11	111201	WELLS FARGO BANK W.C. ACCT REPLENISH CK#6136-58	8,738.57
48811	11/23/11	111201	WELLS FARGO REMITTANCE CENTER NATURAL GAS BILLING-PARKS& REC	39.99
48812	12/01/11	111201	WELLS FARGO BANK W.C. ACCT REPLENISH CK#6159-86	11,134.19
48813	12/07/11	111201	CITY OF BELL PAYROLL FUND PAYROLL DEPOSIT-PAY 12/9/11	238,187.56
48814	12/08/11	111201	VOID VOID-TEST PRINT	0.00
48815	12/08/11	111201	VOID VOID-TEST PRINT	0.00
48816	12/08/11	111201	AT&T MOBILITY TELEPHONE BILLING-10/21-11/20 BELL P.D. TELEPHONE BILLING-10/24-11/23 BELL P.D.	1,069.96
48817	12/08/11	111201	AT&T TELEPHONE BILLING-10/27-11/26 BELL P.D.	281.65
48818	12/08/11	111201	BKM FURNITURE OFFICE FURNITURE-CHIEF BELCHER	476.33
48819	12/08/11	111201	GANAHL LUMBER COMPANY REPLACE METAL DOOR-DEBS PARK	711.17
48820	12/08/11	111201	THE GAS COMPANY GAS BILLING-10/10-11/8/11 MULTIPLE ADRESSES	229.47
48821	12/08/11	111201	KARINA SALAS-PETTY CASH REIMB PETTY CASH REIMB-C.CTR	1,006.97
48822	12/08/11	111201	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-10/19-11/18 4357 GAGE AVE- SKATE PARK	806.69
48823	12/08/11	111201	STANDARD INSURANCE COMPANY LIFE/ACCIDENTAL INS-DEC'11	1,004.50
48824	12/08/11	111201	TELEPACIFIC COMMUNICATIONS TELEPHONE BILLING-11/23-12/22 BELL P.D.	3,869.03
48825	12/08/11	111201	WELLS FARGO BANK W.C. ACCT REPLENISH CK#6187-99	2,156.44

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CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48826	12/14/11	111202	ALESHIRE & WYNDER, LLP	82,610.64
			LEGAL SVCS-PERSONNEL 8/22-10/3	
			LEGAL SVCS-D.MANGO 10/3-25/11	
			LEGAL SVC-L.RAMIREZ 9/15-10/31	
			LEGAL SVCS-C.ANDERSON 10/6-31	
			LEGAL SVC-B.GORMLEY 9/13-10/21	
			LEGAL SVCS-I.RIVERA 10/4-28/11	
			LEGAL SVC-FNCL INVT 9/12-10/31	
			LEGAL SVCS-SEC INVST 9/1-10/10	
			LEGAL SVCS-GO BONDS 10/1-31/11	
			LEGAL SVCS-DEXIA 8/30-10/31/11	
			LEGAL SVCS-MHP 7/28-10/31/11	
			LEGAL SVCS-DETAINERS 8/8-10/31	
			LEGAL SVC-PTCH MOTNS 9/2-10/31	
			LEGAL SVCS-LABOR 9/15-10/4/11	
48827	12/14/11	111202	ALESHIRE & WYNDER, LLP	54,324.69
			LEGAL SVCS-GENERAL 8/19-10/31	
			LEGAL SVC-LITIGATION 8/8-10/31	
			LEGAL SVCS-PLANNING 9/28-10/27	
			LEGAL SVCS-PW/ENG 9/13-10/21	
			LEGAL SVCS-FINANCE 10/10-26/11	
			LEGAL SVCS-ASMNT/BND 7/28-8/26	
			LEGAL SVCS-CODE ENF 9/21-10/24	
			LEGAL SVCS-REDVLPMNT 9/7-10/27	
			LEGAL SVCS-HOUSING 8/4-10/17	
			LEGAL SVCS-REFUSE 9/8-10/24/11	
			LEGAL SVCS-J.CORCORAN10/3-31	
			LEGAL SVCS-GRNITE INS 10/13-25	
48828	12/14/11	111202	ALL ACTION SECURITY	349.31
			SECURITY GUARD SVCS-11/1-15/11	
48829	12/14/11	111202	AMERICAN GUARD SERVICES, INC.	11,052.82
			CROSSING GUARD SVCS-OCT'11	
48830	12/14/11	111202	AMERICAN PAPER PLASTIC	4,188.04
			JANITORIAL SUPPLIES-CITY YARD	
48831	12/14/11	111202	AMERICAN RELIANCE INC.	829.94
			MOBILE PC MAINT-PATROL/BELL PD	
			MOBILE PC MAINT-PATROL/BELL PD	
			MOBILE PC MAINT-PATROL/BELL PD	
48832	12/14/11	111202	BETTY L. ATCHISON	75.00
			INSURANCE BENEFIT-DEC'11	
48833	12/14/11	111202	BOB BARKER COMPANY, INC.	86.03
			MISC SUPPLIES-LICE SHAMPOO/PD	
			MISC SUPPLIES-IBUPROFEN/PD	
48834	12/14/11	111202	BURRO CANYON SHOOTING PARK	130.00
			RANGE FEES-11/7/11	

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CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48835	12/14/11	111202	CPOA MEMBERSHIP DUES-1/1-12/31/12 T.HENSHAW	85.00
48836	12/14/11	111202	CALPERS-LONG TERM CARE PROGRAM LONG-TERM INS 10/1-12/31/11	393.25
48837	12/14/11	111202	CANNING'S TRUEVALUE HARDWARE P.D. MISC REPAIRS P.D. MISC REPAIRS MISC BUILDING REPAIRS P.D. ROOF REPAIRS	262.48
48838	12/14/11	111202	MARIANO CANTORAN REIMB-PROP TAX BILL FY 11/12 SANITATION SEWER	180.08
48839	12/14/11	111202	CHATSWORTH GLOVES INC. MISC SUPPLIES-JAIL	649.24
48840	12/14/11	111202	CITY CLERKS ASSOCIATION OF CA MEMBERSHIP DUES-FY 11/12	120.00
48841	12/14/11	111202	CITY OF GARDENA C/O LACPCA 2012 ANNUAL FEES	500.00
48842	12/14/11	111202	CITY OF INGLEWOOD CITATION COLLECTION SVC-SEP'11	1,610.35
48843	12/14/11	111202	JERRY CLINE INSURANCE BENEFIT-DEC'11	75.00
48844	12/14/11	111202	COMMUNITY DEVELOPMENT LOAN REPAYMENT-4932 BECK AVE	7,483.92
48845	12/14/11	111202	L.A. COUNTY ANNUAL HEALTH PERMIT-C.CTR	87.00
48846	12/14/11	111202	ARNE CROCE INTERIM CAO SVCS-11/16-30/11	7,000.00
48847	12/14/11	111202	CROWN MOVING AND STORAGE DONATED FURNITURE-C.H./BELL PD DE-INSTALL/LOAD 10/15/11 DELIVER/INSTALL 10/17-18/11	10,706.00
48848	12/14/11	111202	DAPPER TIRE CO TIRE FLEET-PARKS&REC/COMM SVCS	195.20
48849	12/14/11	111202	DATASTREAM BUSINESS SOLUTIONS. HP9000 PROGRAMMING-10/1-31/11 2009-2010 AUDITOR	2,375.00
48850	12/14/11	111202	COUNTY OF LOS ANGELES	10,555.74

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CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			ANIMAL HOUSING SVCS-OCT'11	
48851	12/14/11	111202	TERRY DIXON POST REIMB-SUBSISTENCE-1/18-20	30.00
48852	12/14/11	111202	DUNN-EDWARDS CORP. PAINT SUPPLIES-HANDYMAN PROGRM 5246 FLORENCE #119/I.PIMENITEL PAINT SUPPLIES-HANDYMAN PROGRM 5246 FLORENCE #119/I.PIMENTEL PAINT SUPPLIES-HANDYMAN PROGRM	457.87
48853	12/14/11	111202	EMERGENCY RESPONSE CRIME SCENE CLEANING & DISINFECTING SVCS BELL P.D. JAIL FACILITY	700.00
48854	12/14/11	111202	JULIO C. ENDARA SETTLEMENT AGREEMENT	500.00
48855	12/14/11	111202	ENVIROCON INC. REMOVE WINDOWS/BATHROOM TILE 6822 SAN LUIS AVE-LOPEZ	1,700.00
48856	12/14/11	111202	NORDIS PARENTE RENTAL FORMS-LB PK/VETS PK BUSINESS CARDS-D.KURITA BUSINESS CARDS-BELCHER/MIRANDA	454.11
48857	12/14/11	111202	G4S SECURE SOLUTIONS (USA)INC. JAIL SERVICES-BELL P.D./SEP'11 JAIL SERVICES-BELL P.D./OCT'11	31,249.33
48858	12/14/11	111202	GALLS BODY ARMOR-J.DOWELL/BELL P.D.	587.90
48859	12/14/11	111202	MARTHA D. GANDARILLA REFUND-PAVILION RENTAL/FOOD PT	60.00
48860	12/14/11	111202	CARLOS GARCIA REFUND-PKING CITE #100021670	230.00
48861	12/14/11	111202	GRAFFITI PROTECTIVE COATINGS GRAFFITI REMOVAL-OCT'11 VARIOUS LOCATIONS/PAINT REIMB SIDEWALK CLEANING-OCT'11 FUEL SURCHARGE-OCT'11 BUS SHELTER CLEANING-OCT'11 FUEL SURCHARGE-OCT'11 STREET SWEEPING-OCT'11 FUEL SURCHARGE-OCT'11	37,899.76
48862	12/14/11	111202	NEVE GURDEN REFUND-PKING CITE #4045996	100.00
48863	12/14/11	111202	HULS ENVIROMENTAL MANAGEMENT,	770.00

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HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			AB939 ANNUAL REPORT SERVICES	
48864	12/14/11	111202	IJSS INC. DBA TONERZONE	100.67
			TONER CARTRIDGE-BELL P.D.	
			INK CARTRIDGE-BELL P.D.	
			INK CARTRIDGE-BELL P.D.	
48865	12/14/11	111202	1PROMOTEu	179.70
			STICKERS-JR OFFICER/BELL P.D.	
48866	12/14/11	111202	J.P.M. GLASS CO.	260.13
			SCREENS/WINDOWS	
			5246 FLORENCE #157-M.PONCIANO	
48867	12/14/11	111202	GILBERT JARA	50.00
			POST REIMB-SUBSISTENCE 1/23-27	
48868	12/14/11	111202	FELIX ANTONIO JARAMILLO	100.00
			REFUND-PKING CITE #100024902	
48869	12/14/11	111202	JB CONSTRUCTION	14,995.00
			VARIOUS IMPVMNTS-HOUSING REHAB	
			6822 SAN LUIS-M.LOPEZ	
48870	12/14/11	111202	LA COUNTY SHERIFF DEPT.	868.50
			BOOKING FEES-P.D. 7/1-9/30/11	
			FOOD SVCS/CUSTODY-P.D. OCT'11	
48871	12/14/11	111202	LARES AND SON CONSTRUCTION	7,980.00
			CONSTRUCTION SVCS-4874 GAGE#23	
			I.HINOJOS	
48872	12/14/11	111202	LAW ENFORCEMENT PSYCHOLOGICAL	750.00
			PSYCHOLOGICAL ASSESSMENT-S.B.	
48873	12/14/11	111202	LEAD TECH ENVIRONMENTAL	1,446.00
			LEAD TESTING-6822 SAN LUIS AVE	
			M.LOPEZ	
			LEAD/ASBESTOS TESTING	
			6600 WOODWARD AVE-P.MEDINA	
			LEAD/ASBESTOS TESTING	
			7014 BEAR AVE-L & A.RIOS	
48874	12/14/11	111202	MACIAS GINI & O'CONNELL LLP	24,300.00
			PROFESSIONAL SERVICES-OCT'11	
			PROGRESS BILLING-AUDIT	
48875	12/14/11	111202	RAMON MARQUEZ	300.00
			REFUND-HALL RENTAL 11/12/11	
48876	12/14/11	111202	ROBERTO BRAVO MARTINEZ	284.00
			REFUND-PKING CITE #4045712	
48877	12/14/11	111202	MEDINA CONSTRUCTION	24,924.75
			25% TAX WITHHOLD ORDER	

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CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			LANDSCAPE MAINT SVCS-DEC'11	
			RIVER BED-GAGE TO LIVE OAK	
			PW/GEN MAINT SVCS-DEC'11	
			LANDSCAPING MAINT SVCS-DEC'11	
			VARIOUS CITY FACILITIES	
			EMERGENCY REPAIR-6717 KING AVE	
			REMOVE AND REPLACE SIDEWALKS	
			VARIOUS LOCATIONS	
48878	12/14/11	111202	ANTHONY MIRANDA	135.00
			POST REIMB-TUTITION 11/7/11	
48879	12/14/11	111202	MUNICIPAL COURT SOUTHEAST	9,560.50
			COUNTY SURCHARGE-OCT'11	
			COURT CONST FD-GC 76100	
			COUNTY SURCHARGE-OCT'11	
			CF CONST FD-GC 76101	
			STATE SURCHARGE-OCT'11	
			I&CNF CONST FD-GC 70372b	
			STATE SURCHARGE-OCT'11	
			CF CONST FD-GC 70372b	
			STATE SURCHARGE-OCT'11	
			COURT FD-GC 70000.3	
			COUNTY/STATE-HANDICAP	
			STATE LINKAGE FEE-OCT'11	
			STATE SHARE PKING REGISTRATION	
			& EQUIPMENT VIOLATIONS-OCT'11	
48880	12/14/11	111202	JESUS MUNOZ	2,240.00
			REFEREE SERVICES-10/11-11/11	
			BASEBALL GAMES/PLAYOFF GAMES	
48881	12/14/11	111202	SANDRA NAVARRO	45.00
			REFUND-PAVILION RENTAL @ VETS	
48882	12/14/11	111202	NEOPOST INC.	866.74
			INK CARTRIDGE/MAILING LABELS	
			POSTAGE MACHINE @ CITY HALL	
48883	12/14/11	111202	FRANCISCA NUNEZ	45.00
			REFUND-PAVILION RENTAL @ VETS	
48884	12/14/11	111202	OFSI	1,168.81
			COPIER LEASE-11/1-30/11 PYT#30	
			FAX LEASE-11/1-30/11 PYT#5	
			PROP TAX ADMIN FEE-11/1-30/11	
			2011 PROP TAX LA CO-11/1-30/11	
			COPIER LEASE-12/1-31/11 PYT#31	
			FAX LEASE-12/1-31/11 PYT#6	
48885	12/14/11	111202	OLDTIMERS FOUNDATION	34,163.60
			PARATRANSIT SVCS-NOV'11	
48886	12/14/11	111202	ORANGE COUNTY SHERIFF'S DEPT	115.00
			POST REIMB-TUITION GJ 1/23-27	

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CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			POST REIMB-TUITION TD 1/18-20	
48887	12/14/11	111202	SONIA PEDROZA REFUND-PKING CITE #100019518	62.00
48888	12/14/11	111202	JOSE PEREZ REFUND-PARKING CITE #100019999	62.00
48889	12/14/11	111202	JOHN PERSON REFUND-PKING CITE #4045300	54.00
48890	12/14/11	111202	PUBLIC ENGINEERING SERVICES PROFESSIONAL SVCS-OCT'11 NPDES CLEAN WATER ACT	3,393.00
48891	12/14/11	111202	QUICK DISPENSE MISC SUPPLIES-CITY HALL MISC SUPPLIES-BELL P.D.	501.16
48892	12/14/11	111202	QUILL CORPORATION OFFICE SUPPLIES-C.CTR	22.28
48893	12/14/11	111202	LORENA RANGEL REFUND-PAVILION RENTAL/FOOD PT	105.00
48894	12/14/11	111202	RELIA-TECH ETHERNET ADAPTER-BELL P.D. COMPUTER MAINT-BELL P.D. COMPUTER MAINT-BELL P.D. PATCH CABLES-BELL P.D. COMPUTER-BELL P.D.	3,548.17
48895	12/14/11	111202	REPUBLIC ITS INC TRAFFIC SIGNAL MAINT-OCT'11 TRAFFIC SIGNAL REPAIRS-OCT'11	4,077.02
48896	12/14/11	111202	RESTOCKIT.COM SANITARY SUPPLIES-JAIL	57.86
48897	12/14/11	111202	THE RESTORATION GROUP HOUSING REHAB SVC-4874 GAGE#16 R.READCH	7,700.00
48898	12/14/11	111202	ANDY REYES REFUND PARKING CIT#100025568, 100019594	284.00
48899	12/14/11	111202	RIVERSIDE COUNTY SHERIFF'S POST REIMB-TUITION BH 11/10/12 POST REIMB-TUITION CL 1/11/12	69.00
48900	12/14/11	111202	ROECA HAAS HAGER LLP LEGAL SVCS-7/6-21/11	1,980.00
48901	12/14/11	111202	ROSE CLEANERS & LAUNDRY	108.00

9

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			BLANKET/TOWEL CLEANING SVCS BELL P.D.-OCT'11 BLANKET CLEANING SVCS BELL P.D.-OCT'11 BLANKET/TOWEL CLEANING SVCS BELL P.D.-OCT'11	
48902	12/14/11	111202	WANDZIA ROSE REIMB-FLIGHT &LODGING 11/15-17	426.90
48903	12/14/11	111202	HUSNI AND TERESA SALEH REFUND-ASSESSMENT/SEWER 10-11 APN 6325-026-004	33.13
48904	12/14/11	111202	SO CAL CONSTRUCTION SERVICES HOUSING REHAB SVC-4874 GAGE#23 BATHROOM FLOOR TILE	1,395.00
48905	12/14/11	111202	STATE OF CALIFORNIA 25% TAX WITHHELD ORDER-L.M.	8,308.25
48906	12/14/11	111202	SULLY-MILLER CONTRACTING CO. PROGRESS PAYMENT #3 FLORENCE AVE A/C OVERLAY PROJ	6,750.00
48907	12/14/11	111202	TONY'S BODY SHOP VARIOUS REPAIRS-UNIT#344 PATROL UNIT-BELL P.D.	429.11
48908	12/14/11	111202	MARIA TORRES REFUND-PKING CITE #4044717	100.00
48909	12/14/11	111202	TOSHIBA AMERICA BUSINESS SOLUT COPIER LEASE-DEC'11 C.H.	391.50
48910	12/14/11	111202	UNIFIED TRANSLATION SERVICES TRANSLATION SERVICES NOVEMBER 9 COUNCIL SUMMARY INTERPRETING SVCS-CCM 11/22/11 INTERPRETING SVCS-CCM 11/9/11	970.10
48911	12/14/11	111202	WELLS FARGO BANK, N.A. D.B. PLAN ADMIN FEE-JUL-SEP'11	1,164.00
48912	12/14/11	111202	ARNOLD R. ZEFF BACKFLOW VALVE TESTING	159.80
48913	12/14/11	111202	BELCHER & ASSOCIATES INTERIM CHIEF OF POLICE DEPT 11/16-30/11	6,500.00
TOTAL	118 CHECKS			992,976.43
WO000647	11/23/11	111203	CITY OF BELL PAYROLL FUND	10,207.53

10

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			FICA & MEDI TAXES-PAY 11/23/11	
W0000648	12/02/11	111204	CAL-PUBLIC EMPLOYEE RETIREMENT RTRMNT PYMT-PAYROLL 11/20/1	62,279.07
W0000649	12/02/11	111204	PUBLIC EMPLOYEES' RETIREMENT HEALTH PREMIUM-DEC'11 ACTIVE & RETIRED MEMBERS	102,406.59
TOTAL	3 WIRES			174,893.19
TOTAL				1,167,869.62

11

CRA-
Community
Redevelopment
Agency

Warrants
for

November 22-
December 14, 2011

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
5473	12/14/11	111212	VOID VOID-TEST PRINT	0.00
5474	12/14/11	111212	VOID VOID-TEST PRINT	0.00
5475	12/14/11	111212	ROSENOW SPEVACEK GROUP IMPLEM PLAN/PROF SVCS-10/5-26	6,000.00
TOTAL	3 CHECKS			6,000.00

13

BCHA - Bell Community Housing Authority

Warrants for

November 22- December 14, 2011

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
1638	11/23/11	111221	VOID VOID-TEST PRINT	0.00
1639	11/23/11	111221	VOID VOID-TEST PRINT	0.00
1640	11/23/11	111221	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-10/14-11/15 6633 PINE AVE-BCHA	44.58
1641	11/23/11	111231	L.A. COUNTY SHERIFF'S DEPT. WRIT OF POSSESSION-BMHP #79	125.00
1642	11/23/11	111231	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-10/1-11/3 4874 GAGE AVE-BMHP	2,860.62
1643	12/08/11	111221	VOID VOID-TEST PRINT	0.00
1644	12/08/11	111221	VOID VOID-TEST PRINT	0.00
1645	12/08/11	111221	THE GAS COMPANY GAS BILLING-10/7-11/4/11 6304 KING AVE/LAUNDRY-BCHA GAS BILLING-10/11-11/7/11 6633 PINE AVE/LAUNDRY-BHA GAS BILLING-10/10-11/7/11 4209 BELL AVE-BCHA	54.97
1646	12/08/11	111221	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-10/20-11/19 6304 KING AVE-BCHA	9.60
1647	12/08/11	111221	TRACT 180 WATER COMPANY WATER BILLING-9/1-10/31/11 4738 FLORENCE AVE-BCHA	25.54
1648	12/08/11	111231	GOLDEN STATE WATER COMPANY WATER BILLING-10/21-11/22/11 4874 GAGE AVE-BMHP WATER BILLING-10/21-11/22/11 4874 GAGE AVE-BMHP	5,636.01
1649	12/14/11	111222	MEDINA CONSTRUCTION REPLACE SEWER LINE-6317 PINE	1,900.00
1650	12/14/11	111222	WELLS LOCK & KEY LOCKSMITH SVCS-5107 FILMORE BCHA	120.00
1651	12/14/11	111232	ANGELITA ALONSO REFUND-CLUBHOUSE DEPOSIT BMHP	25.00

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
1652	12/14/11	111232	RODOLFO G. & JUANITA DAVILA MANAGEMENT SVCS-12/1-31/11 FLORENCE VILLAGE MHP	5,400.00
1653	12/14/11	111232	RODOLFO DOMINGUEZ REFUND-CLUBHOUSE DEPOSIT FVMHP	25.00
1654	12/14/11	111232	G.T.CONSTRUCTION & LANDSCAPING GARDENING SVCS-NOV'11 4874 GAGE AVE-BMHP	1,750.00
1655	12/14/11	111232	MEDINA CONSTRUCTION FRONT SPRINKLERS-BMHP REPLACE VANDALISM CASE-BMHP	2,710.00
1656	12/14/11	111232	METERMAN SERVICES, INC METER READING-OCT'11 5162 FLORENCE AVE-FVMHP METER READING-OCT'11 4874 GAGE AVE-BMHP METER READING-NOV'11 4874 GAGE AVE-FVMHP	1,194.71
1657	12/14/11	111232	PETERSEN POOL & SPA POOL MAINT/SUPPLIES-NOV'11 FLORENCE VILLAGE MHP	315.00
1658	12/14/11	111232	QUILL CORPORATION OFFICE SUPPLIES-FVMHP OFFICE SUPPLIES-BMHP	365.85
1659	12/14/11	111232	TENANT SCREENING CENTER TENANT SCREENING-FVMHP C.ALDRETE/M.GRIFFIN/V.GARCIA TENANT SCREENING-FVMHP M.ROJAS	130.00
1660	12/14/11	111232	WELLS LOCK & KEY LOCKSMITH SVCS-BMHP	60.00
TOTAL	23 CHECKS			22,751.88

16

City of Bell
Agenda Report

DATE: December 14, 2011

TO: Mayor and Members of the City Council

FROM: Arne Croce, Interim Chief Administrative Officer

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Receipt of Conflict Waiver Letter from Aleshire & Wynder

RECOMMENDATION

That the City Council receive and file the Conflict Waiver Letter from City Attorney Aleshire & Wynder

BACKGROUND

On November 22, 2011 the City Council approved a Conflict Waiver Letter from City Attorney Aleshire & Wynder. The vote was 4-1, with Councilmember Valencia voting "no". The waiver letter has been signed by the four Councilmembers voting for approval and by an authorized representative from BASTA. Approval of the Conflict Waiver Letter allows Aleshire & Wynder to assume representation of the City in the *People vs. Rizzo* litigation initiated by the California State Attorney General.

As the letter was approved by the Council, the only action required is for the Council to receive and file the executed letter.

ALESHIRE & WYNDER LLP
ATTORNEYS AT LAW

Respond to Irvine
daleshire@awattorneys.com
Direct (949) 250-5409

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Los Angeles
South Bay Centre, South Tower
1515 W. 190th St., Suite 565
Gardena, CA 90248
P 310.527.6660 • F 310.532.7395

Sacramento
980 9th St., 16th Floor
Sacramento, CA 95814
P 916.449.9690

awattorneys.com

November 22, 1011

Arne Croce, Interim Chief Administrative Officer
City of Bell
6330 Pine Avenue
Bell, CA 90201

Re: Conflict Waiver Regarding: People of the State of California v. Robert Rizzo, et al.,; Los Angeles County Superior Court, Case No.: BC445497

Dear Mr. Croce:

On July 28, 2011 Aleshire & Wynder ("A&W") was appointed as City Attorney for the City of Bell ("Bell" or the "City"). Prior to this, in September 2010, the California Attorney General ("AG") initiated litigation against Bell and a number of then current and former Bell officials, including Robert Rizzo, Pier'Angela Spaccia, Randy Adams, Oscar Hernandez, Teresa Jacobo, George Cole, Victor Bello and George Mirabal. The AG's lawsuit made various claims, including that those officials engaged in certain illegal activities that caused harm to Bell and its residents by paying themselves excessive salaries. The AG also included the City as a defendant.

The underlying AG litigation was dismissed, according to the publicly available records that we have reviewed, on July 26, 2011 after the AG failed to plead a valid cause of action against the defendants in the lawsuit. On September 26, 2011, the AG appealed the ruling on the demurrer and it is now pending before the Court of Appeal. The remaining portions of the case include, but may not be limited to: (i) demands for costs against the State by the defendants, (ii) the City's cross-complaint against Mr. Rizzo for improperly paying himself an excessive salary and for the Court to determine that he is not entitled to payment of his legal fees and defense costs in the case from the City, and (iii) cross-complaints by other defendants concerning payment of their legal fees and defense costs by the City because they were sued by the AG in their official and personal capacities.

Based on the court records we have reviewed, we anticipate that a jury trial might be necessary to determine if the City is responsible for the payment of the individual defendants' legal fees and defense costs because they were sued by the AG in their official and personal capacities. The City's exposure to these claims for legal fees and defense costs likely exceeds $1 million.

As you know, A&W formerly represented BASTA, a Bell-based community group that helped lead the recall against the officials named in the AG's lawsuit. In that representation, A&W reviewed a declaration by current Bell Mayor Ali Saleh, who at the time was a private citizen and member of BASTA. The Attorney General, as a part of their action sought to have a monitor appointed to monitor the City's actions until the March election, as all of the then serving councilmembers were subject to election or recall. The Attorney General obtained the declarations of the only unindicted councilmember, Lorenzo Velez, Bell Police Captain Anthony Miranda and Mr. Saleh in support of appointment of the monitor. The motion to appoint a monitor was not granted and has become moot with the successful election of a new council.

Aleshire & Wynder wishes to disclose its prior representation of BASTA and Mr. Saleh to the Council. We are writing to give the Bell City Council the opportunity to give its informed written consent to our firm's representation of Bell in the AG litigation should the City Council choose to have us handle the matter, given that BASTA is a former client of A&W and because BASTA assisted the AG. This may be compelled under the ethical rules governing the conduct of attorneys in California, if we, as BASTA's former attorneys, are considered to have been adverse to Bell.

The California Rules of Professional Conduct provide in relevant part as follows:

> Rule 3-310(C): A member shall not, without the informed written consent of each client:..
>
> (3) Represent a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.
>
> Rule 3-310(E): A member shall not, without the informed written consent of the client or former client, accept employment adverse to the client or former client where, by reason of the representation of the client or former client, the member has obtained confidential information material to the employment.

With regard to Rule 3-310(C), our proposed representation of Bell in connection with the AG's litigation described above will not result in our representing Bell and BASTA at the same time or in the same matter.

In an opinion obtained by the City from Roeca Haas Hager, LLP supporting the argument that A&W may be adverse to the City of Bell due to their assisting with the AG claim but, ultimately concluding that A&W does not at present have a conflict of interest, the opinion raised the possibility under 3-310(E) that informed written consent would be required if BASTA were adverse to the City in the future and A&W had received information material to the future representation against BASTA. Therefore, and since we have a professional duty of undivided loyalty to our clients, given A&W's past representation of BASTA, we need the informed

written consent of both BASTA and Bell before we can represent Bell in the above captioned AG litigation.

With reference to Rule 3-310(E), we have not obtained any confidential information from BASTA that would be material to the above described litigation in which we would represent Bell, or from Bell that would be material to our representation of BASTA in other non-related matters. The Declaration which we assisted the Attorney General and Mr. Saleh in preparing is attached as Exhibit A and parallels that of the existing Councilmember Velez. We had no information relevant to the AG monitoring litigation not publicly disclosed in this Declaration.

However, the parties may believe we have or may receive such material confidential information in the future as suggested by the opinion. Consequently, before representing Bell in the above captioned AG lawsuit, we request each entity's informed written consent. There is no dual representation as our pro bono BASTA representation ceased with the successful recall (see Exhibit B). In connection with our proposed representation of Bell in this matter and to assist you in determining whether or not to consent to such representation, we do not anticipate any actual or reasonably foreseeable adverse effects upon Bell by reason of our proposed representation of Bell. We will continue to zealously represent the interest of Bell in any and all matters.

We also commit, as we would with any client, to, at a minimum, seek any additional waivers necessary if, in the future, an actual conflict should arise between Bell and BASTA, within the meaning of California Rules of Professional Conduct Rule 3-310(C). Likewise, we would, at a minimum, consult in good faith with Bell and BASTA about standard measures to protect confidentiality in the unlikely event that a conflict should arise between them.

We request that Bell consider this written request carefully. You may wish to confer with independent legal counsel regarding this consent, and should feel free to do so. If, after reviewing and considering the foregoing, Bell consents to our representation of it in the above captioned lawsuit, please sign the enclosed copy of this letter and return it to me as soon as possible.

Please do not hesitate to call me if you have any questions or concerns about the foregoing.

Very truly yours,

ALESHIRE & WYNDER, LLP

David J. Aleshire

DJA:sgf

01135/0003/102228.10(a)

written consent of both BASTA and Bell before we can represent Bell in the above captioned AG litigation.

With reference to Rule 3-310(E), we have not obtained any confidential information from BASTA that would be material to the above described litigation in which we would represent Bell, or from Bell that would be material to our representation of BASTA in other non-related matters. The Declaration which we assisted the Attorney General and Mr. Saleh in preparing is attached as Exhibit A and parallels that of the existing Councilmember Velez. We had no information relevant to the AG monitoring litigation not publicly disclosed in this Declaration.

However, the parties may believe we have or may receive such material confidential information in the future as suggested by the opinion. Consequently, before representing Bell in the above captioned AG lawsuit, we request each entity's informed written consent. There is no dual representation as our pro bono BASTA representation ceased with the successful recall (see Exhibit B). In connection with our proposed representation of Bell in this matter and to assist you in determining whether or not to consent to such representation, we do not anticipate any actual or reasonably foreseeable adverse effects upon Bell by reason of our proposed representation of Bell. We will continue to zealously represent the interest of Bell in any and all matters.

We also commit, as we would with any client, to, at a minimum, seek any additional waivers necessary if, in the future, an actual conflict should arise between Bell and BASTA, within the meaning of California Rules of Professional Conduct Rule 3-310(C). Likewise, we would, at a minimum, consult in good faith with Bell and BASTA about standard measures to protect confidentiality in the unlikely event that a conflict should arise between them.

We request that Bell consider this written request carefully. You may wish to confer with independent legal counsel regarding this consent, and should feel free to do so. If, after reviewing and considering the foregoing, Bell consents to our representation of it in the above captioned lawsuit, please sign the enclosed copy of this letter and return it to me as soon as possible.

Please do not hesitate to call me if you have any questions or concerns about the foregoing.

Very truly yours,

ALESHIRE & WYNDER, LLP

David J. Aleshire

DJA:sgf

01135/0003/102228.10(a)

THE PARTIES HERETO MAY SIGN CONFORMED SIGNATURE PAGES WHICH ARE ATTACHED TO A COPY OF THIS LETTER.

The City of Bell agrees to waive any conflict arising from the proposed representation as described herein.

_____ Dated 12-08-11
By: Mayor, Ali Saleh

_____ Dated 12-06-11
By: Vice Mayor, Danny Harber

_____ for Dated 12/8/11
By: Councilwoman, Violeta Alvarez

_____ Dated 12/5/11
By: Councilwoman Ana Maria Quintana

_____ Dated _____
By: Councilman, Nestor Valencia

THE PARTIES HERETO MAY SIGN CONFORMED SIGNATURE PAGES WHICH ARE ATTACHED TO A COPY OF THIS LETTER.

BASTA agrees to waive any conflict arising from the proposed representation as described herein.

_____ Dated_____
By: Dale Walker

_____ Dated_____
By: Denisse Rodarte

_____ Dated_____
By: Rodrigo Rodarte

_____ Dated_____
By: Luz Moya

_____ Dated_____
By: Alicia Romero

EDMUND G. BROWN JR.
Attorney General of California
DAVID S. CHANEY
Chief Assistant Attorney General
JONATHAN K. RENNER
Senior Assistant Attorney General
ZACKERY P. MORAZZINI
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Attorneys for Plaintiffs
The People of the State of California

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

THE PEOPLE OF THE STATE OF CALIFORNIA ex rel EDMUND G. BROWN JR., Attorney General of The State of California, Plaintiffs, v. **ROBERT A. RIZZO, PIER' ANGELA SPACCIA, RANDY G. ADAMS, OSCAR HERNANDEZ, TERESA JACOBO, GEORGE COLE, VICTOR BELLO, AND GEORGE MIRABAL, in their official and personal capacities, CITY OF BELL, AND DOES 1-100, inclusive,** Defendants.	Case No. BC445497 **DECLARATION OF ALI H. SALEH IN SUPPORT OF THE PLAINTIFFS' MOTION FOR APPOINTMENT OF A MONITOR FOR THE CITY OF BELL** Dept: 57 Judge: The Honorable Ralph W. Dau Action Filed: September 15, 2010

I, Ali H. Saleh, declare:

1. I have personal knowledge of the facts in this declaration, and I could and would testify about these facts if called upon to do so.

2. I am a life-long resident of the City of Bell and a co-founder of BASTA, the Bell Association to Stop the Abuse.

4. BASTA is a citizen's group in Bell. Currently BASTA has a leadership board of 14 community members, including me. BASTA holds regular community-wide meetings twice a month, and usually 200 to 400 people attend. At these meetings, people from Bell raise questions about the City, discuss the ongoing public disclosures concerning the abuses in Bell, and examine what progress has been made. We also invite guest speakers who can address some of the issues raised by the community like how recall works, compensation of officials, City financials and so forth. While BASTA does not maintain an official membership list, around 1500 people in our community have asked to receive information about our organization and our efforts by emails and phone calls and are on our email list.

5. BASTA is also organizing the recall efforts in Bell. BASTA prepared the recall petitions and trained volunteer signature gathers. In about 20 days, around 80 trained BASTA members collected more than 4000 signatures for each of the four council members for purposes of recalling them.

6. BASTA was formed on July 16, 2010, one day after the Los Angeles Times broke the story about the $800,000 salary that the City paid to Robert Rizzo, the former Chief Administrative Officer of the City. However, even before the Los Angeles Times reported on corruption within our City Hall, people in our community were already suspicious of our City government because there was a complete lack of transparency. Questions raised by members of the community were not getting answered. The Los Angeles Times story motivated the community to take action, and one week after the first story on Rizzo's salary, BASTA organized around 700 people at the City Hall for a rally. This was an empowering event and we felt the time was now right to create an organization which could push to create a better government for ourselves.

7. BASTA's main goal is to demand, on behalf of the people of Bell, good city governance through transparency and accountability. We want to help keep our appointed and elected officials accountable by ensuring public access to our government and information.

8. We believe, however, that the current city government is not providing adequate access to public information. We are respectful that the city administration must maintain confidentiality on certain matters. However, we believe the City is not meeting its obligations to its citizens.

9. On July 21, 2010 we submitted our first public records request through our lawyer for six matters, and supplemented it on July 29 asking for 16 other matters and also asking various questions concerning incompatibility of employment and other issues which have not been answered. That letter is attached to this declaration as Exhibit A. On August 9, 2010 the City through the interim City Attorney responded that most of the records required additional research.

10. On August 23, 2010, a month after our request, the interim City Attorney responded with numerous objections to disclosing many of the records requested. For example, to the request for staff reports, ordinance and resolutions pertaining to tax or fee increases since July 1, 2007, the response was that it was not clear what documents we were requesting. We were also told records could not be found or records could not be disclosed due to Evidence Code privileges, and attorney client and attorney work product privileges. That letter is attached to this declaration as Exhibit B. We have been told by our legal counsel that we would have to engage in legal action to get these documents.

11. We sent a letter on October 4th to Pedro Carrillo, the interim Chief Administrative Officer of the City, requesting more information about the City's finances, operations, and employees. That letter is attached to this declaration as Exhibit C.

12. On October 5, members of BASTA met with Pedro Carrillo and James Casso, the interim City Attorney, to discuss the letter. Mr. Carrillo promised that they would respond to our letter in two days. Since then we have received no response from them. We have followed up regularly with Mr. Carrillo and Mr. Casso by phone calls and in person at City Hall. Mr. Casso

and Mr. Carrillo would always say that they were working on it and that they would have responses to us soon. They still not have provided a response to us.

13. The City also does not provide enough information to the community during the City Council meetings. The City Council and Mr. Carrillo answer very few questions during the meetings. I have attended all of the meetings since the Los Angeles Times broke the story on the scandals with the City's administration in July of this year and have asked questions. After I asked my questions, the mayor or the city clerk would tell me that my time was up. Then, instead of answering my questions, the City Council and Mr. Carrillo would simply take the question of the person after me and ignore my questions. The City Council and Mr. Carrillo answer only about 1 out of every 30 questions.

14. At the last Council meeting, several councilmembers didn't show up. Lorenzo Velez was the only councilmember there. I asked him whether he can answer questions from the public. Councilmember Velez appeared to want to answer questions from the community. But Mr. Casso told Councilmember Velez that he should not answer any questions relating to anything that was on the agenda. Mr. Carrillo also wouldn't answer any questions, and said he was following the City Attorney's advice. I have since been advised that since the meeting was occurring in public, councilmember Velez was free to communicate with the public and the Brown Act would not have prevented him from answering questions.

15. The community is suspicious of the current administration of the City even though they were appointed after the crimes were discovered. They were appointed by the existing City Council, and four members of the City Council have been charged with crimes based on actions they took during their tenure on the Council and with mismanaging the City. (One of those councilmember has since resigned.) Initially, people gave the new administrators the benefit of the doubt when Mr. Carrillo proclaimed that he would fix the problems. But over time, as information has not gotten out, the community is getting more frustrated.

16. The letter we sent to the City on October 4 (Exhibit C to this declaration) shows the types of questions that we have been asking the City about what has been happening in Bell. My understanding of the Public Records Act is that it only allows the public to receive specific

documents we identify. The City does not have to answer any questions from us except to give us certain specific documents that we first identify to them. And it is easy for the City to say that they can't find the documents we requested or that some document is privileged. The problem of this way of getting information is illustrated by the letters between BASTA's attorney and the interim City Attorney. (In Exhibits A and B to this declaration.) BASTA believes that the broader powers of a monitor are required to bring forward the type of information we have requested.

17. BASTA wants a monitor to communicate regularly with the community. The current problems in the City are lack of transparency and lack of communication. BASTA wants to create a dialogue between Council and the public. A monitor would provide more information to residents and allow residents to know what is happening in the City. The monitor should report to the public regularly. The monitor should be independent and not be political, and have the ability to understand City government and finances. The monitor should be bilingual. The monitor should only serve until a new council is in place and should prepare a written final report with findings and recommendations. The monitor can help lay the groundwork for restoring honest government in Bell, which operates for the betterment of the community.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this nineteenth day of October 2010 at Bell, California.

ALI H. SALEH
Co-Founder
Bell Association to Stop the Abuse

EXHIBIT "A"

ALESHIRE & WYNDER, LLP
ATTORNEYS AT LAW
www.awattorneys.com

RESPOND TO ORANGE COUNTY OFFICE

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P 916.449.9690 • F 916.449.9689

July 29, 2010

Via email: Edward.Lee@bbklaw.com

Mr. Edward Lee, City Attorney
City of Bell
c/o Best Best & Krieger
300 South Grand Avenue
25th Floor
Los Angeles, California 90017

Re: City of Bell – Resignation of City Manager Robert Rizzo, Assistant City Manager Angela Spaccia and Police Chief Randy Adams

Dear Mr. Lee:

Aleshire & Wynder is legal counsel for an association of concerned citizens and taxpayers of the City of Bell ("Bell Association to Stop the Abuse" or "Clients"), who are extremely concerned over the actions of certain Bell councilmembers with regards to their compensation and contracts approved for certain city of Bell officials, and the recent events surrounding the resignation of City Manager Robert Rizzo, Assistant City Manager Angela Spaccia and Police Chief Randy Adams. We have been asked to contact you on their behalf to obtain some clarity for the public on this issue before you take any further action.

The resignation of these three individuals raises several legal issues. We want to independently ensure the validity and enforceability of each of the contracts. For example, were the contracts approved during a public meeting by the City Council? Were the contracts obtained by fraud or corruption? What are the terms of the contracts and what is the process for their termination? Have Mr. Rizzo, Ms. Spaccia and Chief Adams fulfilled all of their obligations under the contracts or are there grounds to void them?

It may be possible to take legal action to invalidate the contracts or obtain a disgorgement of profits. However, to determine this, more information is needed by the public. We assume that these are also matters in which the City would have an interest..

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As an example of our concerns, we understand that Angela Spaccia was recently appointed as Interim City Manager of Maywood. Government Code Section 1099 states:

> (a) A public officer, including, but not limited to, an appointed or elected member of a governmental board, commission, committee, or other body, shall not simultaneously hold two public offices that are incompatible. Offices are incompatible when any of the following circumstances are present, unless simultaneous holding of the particular offices is compelled or expressly authorized by law:
>
> (1) Either of the offices may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other office or body.
>
> **(2) Based on the powers and jurisdiction of the offices, there is a possibility of a significant clash of duties or loyalties between the offices.**
>
> **(3) Public policy considerations make it improper for one person to hold both offices.** (Emphasis added).

The Cities of Bell and Maywood have been in discussions concerning various agreements between the two entities and were in such discussions while Ms. Spaccia held her positions both as Interim City Manager in Maywood and Assistant City Manager in Bell. One of these situations involved the provision of law enforcement services, including the cost of such services, level of services, retention or termination of employees, and similar issues. While the goal of a contract negotiation may be a "win-win," in fact, the parties in this case have unalterably conflicting interests. For example, while one party wants increased compensation for its services, the other wants to pay less. Where Ms. Spaccia has been and continues to be, reporting to her Bell City Manager boss, and receives all of her compensation from this employer, can she effectively represent Maywood as Chief Executive Officer? We do not believe there is any way she could serve these two masters without conflict.

Pursuant to the common law incompatibility rule, as construed by various Attorney General opinions and California Government Code Section 1099(b), we believe that when an incompatible office is assumed, in this case the office of Interim City Manager in the City of Maywood, that Ms. Spaccia immediately forfeited her office as Assistant City Manager in the City of Bell. Hence, Bell would have no further obligations to Ms. Spaccia under her excessive

contract and Bell should recover all payments made to her since she entered into the contract with Maywood.

We understand that one could argue that one or both of Ms. Spaccia's offices are "positions of employment," pursuant to California Government Code Section 1099(c) and that Section 1126 is instead applicable here and that both the Cities of Maywood and Bell waived Ms. Spaccia's conflicted activities. (However, we note that the "Assistant Administrative Officer" is referred to as an officer, and it is a position created by Bell's Charter and she, at times, acts as the Chief Administrative Officer.) In such case, we would like to see what rules the City Council adopted – a statutory mandate pursuant to California Government Code Section 1126(c) - governing the application of Section 1126. However, in the facts of this case we think there is a strong equitable case for application of the common law rule.

On July 21st, we made a request to the City of Bell's City Clerk, Rebecca Valdez, asking for several items which we have not yet received. We are supplementing this prior request with some additional items that we are now requesting pursuant to California Government Code Section 6250 *et seq*, based on the Council's further actions. The attachment includes both lists of requested documents, though the 10-day period for the response to the first set of documents continues to run from July 21st. We believe that a review of these documents by an outside independent source is critical before any payments of City funds are made to the above resigning officials.

As explained above, the documents are necessary to determine the validity of the above contracts. It has been announced that these officials have resigned without any severance payment. We would like copies of their resignation letters and the City's acceptance thereof. Moreover, we request, on behalf of the citizens of Bell, copies of all documentation relating thereto, and a legal analysis from the City Attorney disclosing the full costs to the City resulting from the resignation of the officials (back-pay, benefit payments, etc.); how this will be paid for by Bell; the validity of these contracts; whether there has been analysis of the incompatibility of offices, as well as the other questions added herein; and any severance arrangements with the resigning officials. The analysis should examine if there are any grounds, including, but not limited to, Charter Section 519 (pertaining to contracts) and Section 601 (pertaining to residency), upon which these contracts and any consideration paid thereunder could be challenged.

We also question the issue of councilmember compensation. Section 502 of the Bell City Charter appears to limit councilmember compensation to the amount provided in Government Code Section 36516 ($400 per month for a city of this size); plus reimbursement for out of pocket expenses. No authority is provided in the Charter for councilmembers to receive

compensation as members of other bodies. Have you analyzed the legal effect of this limitation on the ability to receive such additional compensation beyond the Charter's limits?

A fresh concern has now arisen over the new interim City Manager, Pedro Cadillo, and the terms of his contract. So this is also an added part of our public records request. What other candidates were considered, and on what terms? Based on past actions, the Council should have embraced a transparent process to fill this important position.

We know you are not required to prepare any analysis as part of a public records request: it is our expectation that your office would have already performed analysis of the above for the City Council to act as it has. If it has not done so, we would hope the City Council would want such analysis performed and made public to explain its actions.

As you are fully aware, these contracts greatly exceed norms within the profession which explains why they have drawn national attention. If the City Council wishes to restore its credibility with the community and our clients, it will fully cooperate with our request for information, and will not proceed with any payments of City funds to these officials, until the City Attorney has provided the requested legal opinion and our office can independently review the matter. An independent review can either confirm the validity of the settlement arrangements or perhaps suggest grounds to challenge them, as suggested above. Further, if payments should be made to these officers without resolving the legal concerns we have raised, or without the transparency we are suggesting, you are hereby informed that our client may seek to have the City of Bell hold the firm of Best Best & Krieger liable for the reimbursement to the City of Bell for any sums subsequently determined to be improperly paid on the City Attorney's legal advice.

We very much appreciate your cooperation with these requests. The Clients are prepared to pay the reasonable cost of producing these documents, once you advise us of the costs. Although we know that you have 10 days to respond to California Public Records Act requests, we would hope that, given the extraordinary public attention to this matter, compliance with our request would be expedited. Moreover, as we note that Attorney General Jerry Brown has asked that some of these same documents to be produced within 48 hours, we would hope that the Citizens of Bell could be timely accommodated by its own City to the same degree.

If you have any questions, please do not hesitate to contact me at (949) 223-1170.

Very truly yours,

ALESHIRE & WYNDER, LLP

David J. Aleshire

cc: Mayor Oscar Hernandez
Vice Mayor Teresa Jacobo
Councilmembers George Mirabal, Luis Artiga, and Lorenzo Velez
Rebecca Valdez, City Clerk, City of Bell *(certified mail, return receipt requested)*
Edmund G. Brown, Jr. Attorney General
Peter H. Chang, Deputy Attorney General
David Demerjian, Deputy District Attorney, Public Integrity Division
Christina Garcia, Chair, Steering Committee Bell Association

Enclosure

09999/0001/841595

PUBLIC RECORDS ACT REQUEST
PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 6250 *ET SEQ.*

We requested the following items in an e-mail to Rebecca Valdez on July 21, 2010:

1. The contract for City Manager Robert Rizzo and any and all amendments thereto;

2. The contract for Assistant City Manager Angela Spaccia and any and all amendments thereto;

3. The contract for Police Chief Randy Adams and any and all amendments thereto;

4. Any ordinance setting the compensation of the City Council acting in its capacity as the City Council, the Redevelopment Agency, or any other body comprised of any of the following: George Mirabal, Luis Artiga, Teresa Jacobo, Oscar Hernandez, and/or Lorenzo Velez, where any of the latter five individuals are compensated for their services to the City of Bell;

5. The City of Bell's budget for fiscal years 2009-10 and 2010-11; and

6. A copy of the charter of the City of Bell.

In addition, we would like to request the following items:

1. Any agreements between the Cities of Bell and Maywood pertaining to Angela Spaccia's contract as Interim City Manager and/or Assistant City Manager.

2. Any agreements between the Cities of Bell and Maywood since January 1, 2009.

3. All staff reports, ordinances, and/or resolutions pertaining to tax or fee increases since July 1, 2007.

4. All staff reports, ordinances, and/or resolutions pertaining to Bell's financial situation or status since July 1, 2007.

5. All legal bills billed to the City of Bell by attorney Tom Brown and/or the firm by which Mr. Brown is employed, as well as the fee agreement between Mr. Brown and the City of Bell.

6. The agenda and minutes of the meeting at which Tom Brown and/or his law firm was hired and the fee agreement.

7. Any legal analysis regarding the contracts of Robert Rizzo, Angela Spaccia and Randy Adams, including, but not limited to, any analysis addressing a potential conflict between Ms. Spaccia's positions of Interim City Manager of Maywood and her position of Assistant City Manager of Bell. This would include any requests for opinions by the Fair Political Practices Commission.

8. Any legal analysis disclosing the full costs to the City resulting from the resignation of Mr. Rizzo, Ms. Spaccia, or Randy Adams (back-pay, benefit payments, etc.) and/or pertaining to the validity of these contracts.

9. Any legal analysis of councilmember compensation, including whether such compensation complies with the City of Bell's Charter and California State law.

10.. Any severance arrangements with Mr. Rizzo, Ms. Spaccia, or Randy Adams.

11. The agenda and minutes of the meeting(s) pertaining to the approval of the contracts and contract amendments of Mr. Rizzo, Ms. Spaccia and Randy Adams.

12. The fee agreement for any media consultant and/or public relations consultant hired by the City of Bell since June 1, 2010 and any sums paid to such consultant.

13. The agenda and minutes approving the hiring of any media consultant and/or public relations consultant for the City of Bell.

14. All fee agreements and billing statements between the City of Bell and Pedro Carillo and/or his firm Urban Associates, Inc. dating back to June 1, 2010 and any sums paid to such consultant.

15. A list of all candidates considered for the position of Interim City Manager other than Pedro Carillo.

16. The resignation letters and all other documentation relating to such resignations of Mr. Rizzo, Ms. Spaccia and Randy Adams.

The People of the State of California v. Robert A Rizzo et al.
Los Angeles County, Superior Court, Court Case No. BC44549

EXHIBIT "B"

meyers | nave riback silver & wilson
professional law corporation

James M. Casso
Attorney at Law
213.626.2906

VIA ELECTRONIC TRANSMISSION AND U.S. MAIL

August 23, 2010

David J. Aleshire
Aleshire & Wynder, LLP
18881 Von Karman Avenue
Suite 400
Irvine CA, 92612

Re: California Public Records Request

Dear Mr. Aleshire:

I write in response to your July 29, 2010 letter requesting the following records pursuant to the California Public Records Act, Government Code § 6250, *et seq.* ("the Act"):

1. The contract for City Manager Robert Rizzo and any and all amendments thereto;

2. The contract for Assistant City Manager Angela Spaccia and any and all amendments thereto;

3. The contract for Police Chief Randy Adams and any and all amendments thereto;

4. Any ordinance setting the compensation of the City Council acting in its capacity as the City Council, the Redevelopment Agency, or any other body comprised of any of the following: George Mirabal, Luis Artiga, Teresa Jacobo, Oscar Hernandez, and/or Lorenzo Velez, where any of the latter five individuals are compensated for their services to the City of Bell;

5. The City of Bell's budget for fiscal years 2009-10 and 2010-11; and

6. A copy of the charter of the City of Bell.

7. Any agreements between the Cities of Bell and Maywood pertaining to Angela Spaccia's contract as Interim City Manager and/or Assistant City Manager.

8. Any agreements between the Cities of Bell and Maywood since January 1, 2009.

9. All staff reports, ordinances, and/or resolutions pertaining to tax or fee increases since July 1, 2007.

10. All staff reports, ordinances, and/or resolutions pertaining to Bell's financial situation or status since July 1, 2007.

11. All legal bills billed to the City of Bell by attorney Tom Brown and/or the firm by which Mr. Brown is employed, as well as the fee agreement between Mr. Brown and the City of Bell.

12. The agenda and minutes of the meeting at which Tom Brown and/or his law firm was hired and the fee agreement.

13. Any legal analysis regarding the contracts of Robert Rizzo, Angela Spaccia and Randy Adams, including, but not limited to, any analysis addressing a potential conflict between Ms. Spaccia's positions of Interim City Manager of Maywood and her position of Assistant City Manager of Bell. This would include any requests for opinions by the Fair Political Practices Commission.

14. Any legal analysis disclosing the full costs to the City resulting from the resignation of Mr. Rizzo, Ms. Spaccia, or Randy Adams (back-pay, benefit payments, etc.) and/or pertaining to the validity of these contracts.

15. Any legal analysis of councilmember compensation, including whether such compensation complies with the City of Bell's Charter and California State law.

16. Any severance arrangements with Mr. Rizzo, Ms. Spaccia, or Randy Adams.

17. The agenda and minutes of the meeting(s) pertaining to the approval of the contracts and contract amendments of Mr. Rizzo, Ms. Spaccia and Randy Adams.

18. The fee agreement for any media consultant and/or public relations consultant hired by the City of Bell since June 1, 2010 and any sums paid to such consultant.

19. The agenda and minutes approving the hiring of any media consultant and/or public relations consultant for the City of Bell.

20. All fee agreements and billing statements between the City of Bell and Pedro Carillo and/or his firm Urban Associates, Inc. dating back to June 1, 2010 and any sums paid to such consultant.

21. A list of all candidates considered for the position of Interim City Manager other than Pedro Carillo.

22. The resignation letters and all other documentation relating to such resignations of Mr. Rizzo, Ms. Spaccia and Randy Adams.

On August 13, 2010, we provided you with records responsive to your Requests Nos. 1-6.

The City responds to the balance of requests as follows:

Requests Nos. 7 and 8: The City has made a diligent search and the responsive, non-exempt records have been assembled.

Request No. 9: The City appreciates your request for information, it is unclear as to what documents you are requesting. The City would like to assist you with your inquiry. I ask that you please clarify the scope of your request by providing additional insight as to what type of City taxes or fees you seek information about.

Request No. 10: The City has not located any staff report, ordinance or resolution specifically pertaining to the City's "financial situation or status since July 1, 2007." The City staff is, however, in the process of identifying and compiling records pertaining to the City's budget amendment during the requested time period. We anticipate that by August 31, 2010, the City will identify and assemble the responsive documents, if any.

Request No. 11 and 12: The City staff, in consultation with our office, has identified some records responsive to your request. Please be advised that the responsive records contain information exempt from disclosure pursuant to Government Code § 6254(k). Section 6254(k) protects from disclosure "[r]ecords, the disclosure of which is exempted or prohibited pursuant to federal or State law, including, but not limited to, provisions of the Evidence Code relating to privilege." (*See* Evidence Code § 954; *Roberts v. City of Palmdale*, 5 Cal. 4th 363, 370-371 (1993).) The City asserts the attorney-client and attorney work product privileges pursuant to the Evidence Code § 954 as it applies to the records and information requested which contain confidential communications between the City and its legal counsel. The exempt information has been redacted from the enclosed records. Please be further advised, that the City staff continues to search for, identify and compiling any additional records responsive to your Requests Nos. 11 and 12. We anticipate that non-exempt responsive records will be identified and assembled by August 31, 2010.

Request No. 13 and 14: We have not found any non-exempt records as to this category. Government Code § 6254(k). (*See also* Evidence Code § 954; *Roberts v. City of Palmdale*, 5 Cal. 4th 363, 370-371 (1993).) The City asserts the attorney-client and attorney work product privileges pursuant to the Evidence Code § 954 as it applies to the records and information requested which contain confidential communications between the City and its legal counsel.

Requests No. 15: The report for the City Council's July 26, 2010 meeting is the only non-exempt record responsive to your request.

Request Nos. 16: The only record responsive to your request is the Council's report out of closed session of July 22, 2010.

Request Nos. 18, 19, 21: The City is not in possession of records responsive to these requests.

Request No. 20: Responsive, non-exempt records are enclosed. Please be advised that certain responsive records are exempt from disclosure pursuant to Government Code § 6254(k). (*See also* Evidence Code § 954; *Roberts v. City of Palmdale*, 5 Cal. 4th 363, 370-371 (1993).) The City asserts the attorney-client and attorney work product privileges pursuant to the Evidence Code § 954 as it applies to the records and information requested which contain confidential communications between the City and its legal counsel. Additionally, please be advised that certain exempt and private information, specifically account numbers, have been redacted from the responsive records.

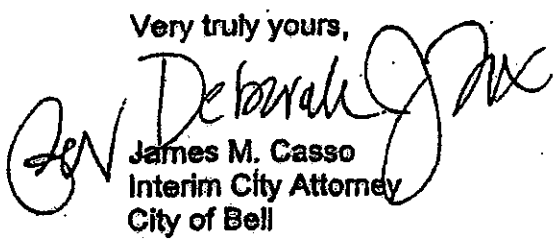
Request No. 22: The City has made a diligent search and the only responsive documents found are provided.

A total of 72 pages of responsive, non-exempt records have been assembled. This response completes your Requests Nos. 7, 8, 15 - 22. The total cost for duplication of these records is $7.20. The City has applied $3.30 from your previous payment towards the duplication of 33 pages of responsive records. However, the outstanding balance for the assembled records is $3.90. You may render a payment in person or by mailing a check to Rebecca Valdez, City Clerk, City Clerk, 6330 Pine Avenue, Bell, California 90201. The check should be made payable to City of Bell. Please also notify Ms. Valdez if you would like these records mailed to you, upon payment for the photocopying costs.

Please be advised that we will notify once any additional records, as indicated above, have been identified and assembled. The City will notify you of the total amount due for duplication of responsive, non-exempt records, as these records become available.

Please rest assured that the City is committed to meeting its obligations under the Act and will work diligently to do so.

Very truly yours,



James M. Casso
Interim City Attorney
City of Bell

Enclosures

cc: Pedro Carrillo, Interim City Administrator, City of Bell (via e-mail w/out enclosures)
Rebecca Valdez, City Clerk, City of Bell (via e-mail w/out enclosures)

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The People of the State of California v. Robert A Rizzo et al.
Los Angeles County, Superior Court, Court Case No. BC44549

EXHIBIT "C"

Dear Mr Carrillo, 10/4/10

You have stated that with Rizzo gone, it is a new day in Bell and the Council is directing the new administration to establish transparency in all of the operations of the City of Bell. Further, you have said that you want to encourage good communications with the community.

BASTA feels that inadequate efforts are being made in this direction. With the weekly new public revelations about matters which the public knows nothing about, there is a need to institutionalize a better process of public communication.

We believe that a wholly new way of doing business is in order. We believe that there should be an item on every Council agenda called "Community Questions." We believe that BASTA and others should be able to submit questions two weeks in advance of your meetings, and that a staff report should be prepared answering the questions, and the questions should be listed on the agenda. Then, staff should give the staff report at the meeting with the questions.

We have an initial set of questions. Some of the questions may be harder to answer than others and we will understand if all the questions cannot be answered at each meeting. Still, we need to start answering the questions that the public has in a clear and authoritative manner. Your governance will be judged by your ability to get these questions answered. Your staff should take your directions, or you should get staff who will. We are asking that these questions be answered at or before the next council meeting.

1 Reserves: What were the City's total reserves at the end of FY 2007-8? FY 2008-9? What are they currently? What do you project them to be at the end of FY 2010-11? What is the reason for the decline?

2 Bond Default: It is reported that there may be a bond default of $35 million by the end of the year for the property off Bandini and Atlantic. Please explain the circumstances. Has the City's credit rating declined and why? What is being done to prevent any default and restore our credit rating?

3 Defense of Councilmembers: BASTA legal counsel has sent the City Attorney a letter dated Sep 2 2010 which states that the City may not pay for the legal cost of defense of the Councilmembers concerning the Attorney General's lawsuit or the District Attorney's criminal charges. We have received no response. Does the City agree with this letter and is there any intent to pay for the defense of the public officials charged in these actions?

4 Loan Program: Please list all employees who received loans from the City, the amount and time of the loan, loan terms, whether any defaults occurred, when it was repaid, any outstanding balance. Please provide who approved the loans and any documentation as to whether the program was ever authorized by the Council and how it was to work.

5 Compensation: Reporting compensation as recently requested by the State Comptroller, please list all employees currently making in excess of $100,000 per year. Please list all compensation of the public officials included in the AG Lawsuit paid in each of the last 3 years.

6 Pensions: Please list all retirement payments exceeding $75,000 paid annually in each of the last 3 years to former Bell employees, including both from PERS and any special pension funds of City (and designate the amount from each fund), and also project the future annual pension payments to all persons who have retired this year and not yet received payments.

7 Contractors: Please list all city vendors who have received compensation over $50,000 annually for each of the last 3 years. Also please inform us if their contracts are current, when they expire, how much their contract is worth, and who approved them.

8 Manager/Attorney: Please list all compensation paid to the prior City Atty (BB&K) in each of the last 3 years. Please list all the compensation charged by or paid monthly to Mr Carrillo and his firm Urban Associates since he became CM, and same for Mr Casso and Meyers Nave.

9 Please list the names and positions of the 41 people referred to in the LA Times who received supplemental pension plans and what is the city doing to correct this abuse?

10 Please disclose total compensation in a clear and comprehensive manner. For example, Hermosa Beach provides the following information employers: Full Name, Position, Home Department, Base Salary, Hourly Rate, Part Time, Overtime, Premium Merit, Leave Cash outs, Def Comp, Taxable Life Insurance, Allowances, Total.

11 Please provide job description for all personnel.

12 What's going on with the sports complex on Florence and Walker? Is that project still under way and if so how is the city paying for it?

13 Are the following individuals still employed or under contract with the city? If so what is the city doing to terminate their relationship with them? A timeline of when residents can expect to see them no longer associated with the city. If they have been terminated, please provide documentation of their termination and the terms of termination.

Eric Eggena, Director of General Services $421,402
Loudres Garcia, Director of Administrative Services $ 422,707
Annette Peretz, Director of Community Services $273,542
Luis Ramirez, Deputy Engineer $247,573
Ricardo Gonzalez, Business Development Coordinator $195,628
D&J Engineering (Dennis Tarango) $10.5 since 1995
(Average of $800,000 plus a year)

14 AB 900 was signed into law last month, but according to the Los Angeles County Assessor's office, they are still waiting for the City of Bell to transfer the money so they can begin to process the reimbursements. When does the city plan to transfer the money to the County?

15 Property Taxes, Business Taxes, Business Licenses: It was reported that the city was illegally overcharging property owner and business in Bell, have the taxes and license fees been adjusted to be in compliance with state law?

BASTA
BELL ASSOCIATION TO STOP THE ABUSE

BELL ASOCIACIÓN PARA FRENAR EL ABUSO

Honorable Mayor Saleh and Members of the Bell City Council
CITY OF BELL
6330 Pine Avenue
Bell, CA 90201
Attn: Interim Chief Administrative Officer, Pedro Carrillo

Re: Conflict Waiver Relating to BASTA and the City of Bell

Dear Mayor Saleh, Members of the Bell City Council and Mr. Carrillo:

The Bell Association to STOP the Abuse (BASTA) is a citizens' group which formed in response to the revelations of corrupt and criminal acts by former public officials, including the Chief Administrative Officer and City Councilmembers, of the City of Bell. Aleshire & Wynder began representing BASTA *pro bono* in July of 2010 to guide our efforts to recall the corrupt City Councilmembers by providing information on recall procedures, preparing forms and recall petitions, and advising us on how to get them completed and submitted.

Also, they helped with related efforts to get public records, review financial reports and audits, and review reports by the State Controller, all to better understand the actions of the officials being recalled. A&W also advised us on our efforts to prevent further raids on public funds (City paying for defense of public officials, etc.). A&W's representation of BASTA ended with the successful recall election on March 8, 2011.

We have followed the City's efforts to find a new City Attorney and have understood that A&W has applied for this position and may be selected for this position. A&W has demonstrated great legal skill, has an accomplished team, and a high level of integrity. We could not therefore help but think that this appointment would be a great benefit to our community.

However, we have been informed that A&W's former representation of BASTA is raising concerns about a potential conflict of interest between BASTA and the City. We have received David Aleshire's memorandum to the City Council, dated June 22, 2011, and agree with the statements regarding A&W's former, *pro bono* representation of BASTA. This is a truthful explanation of A&W's representation of

4027 Gage Ave
Bell, CA 90201 USA
(323) 771-6822
(323) 560-4654
www.basta4bell.com
fppc ID 1331422

Though we are not lawyers, from our perspective, BASTA does not have adverse interests to those of the City. In fact, our interests very much align with the current City Council members all of whom were supporters of the recall of the corrupt City Councilmembers.

Mr. Aleshire's memorandum cites the Rules of Professional Responsibility 3-310, the most relevant part of which states:

> *"C. A member shall not, without the informed written consent of each client:*
>
> *1. Accept representation of more than one client in a matter in which the interests of the clients potentially conflict; or*
> *2. Accept or continue representation or more than one client in a matter in which the interests of the clients actually conflict; or*
> *3. Represent a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.*
>
> ...
>
> *E. A member shall not, without the informed written consent of the client or former client, accept employment adverse to the client or former client where, by reason of the representation of the client or former client, the member has obtained confidential information material to the employment."*

It should be understood that BASTA is an evolving group of citizens brought together for community action. The changing nature of its membership and in leadership, means that its positions on issues will change over time and that there is very little in the way of confidential information that would not be part of our public advocacy. So we are not, perhaps the type of client envisioned by the State Bar Rules.

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(323) 771-6822
(323) 560-4654
www.basta4bell.com
fppc ID 1331422

Regarding A&W's former representation of BASTA, we are not involved with the Attorney General's lawsuit against the former City Councilmembers, nor do we have any intention to be involved in the matter. The matter to appoint a monitor for the City – for which Mayor Ali Saleh, a former BASTA member provided a declaration – has terminated with the conclusion of the recall and the taking of office by the new council. The recall election itself is complete, and our relationship with A&W has ended.

While we have received funding from several sources, including the Bell Police Officers Association ("BPOA"), we are not involved with the BPOA's labor negotiations with the City, nor have we received any confidential information from the BPOA. BASTA has not the past taken any position on the management of the Police Department by the City, or imparted any information to A&W concerning this.

We have not shared any confidential information with A&W that would This City is our informed consent pursuant to Rule 3-310(E) of the Rules of Professional Conduct that A&W may fully represent the City in matters which are within the purview of the City Attorney's office.

While we have greatly valued the services of A&W, and intend to remain active in Bell and the southeast area, we realize that it may be possible in the future that we would be opposed to the City on some matter. If A&W were the City Attorney, there might be issues in the future where a conflict would arise. We believe A&W can do more for the community by fully representing the City. Accordingly, we waive any conflicts in their representing the City and further commit to the City that we will seek other counsel should future matters arise involving the City and we would not use the services of A&W. We realize that this goes beyond what we need to do at this time, but we want to remove any appearance that a conflict could arise in the future.

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Bell, CA 90201 USA
(323) 771-6822
(323) 560-4654
www.basta4bell.com
fppc ID 1331422

We hope that this letter helps to resolve this matter and allows the City to proceed with retaining its new City Attorney. In our opinion the City could not do better for our community than selecting Aleshire & Wynder.

Very truly yours,

BELL ASSOCIATION TO STOP THE ABUSE

By: _____
Dale Walker

By: _____
Denisse Rodarte

By: _____
Rodrigo Rodarte

By: _____
Luz Moya

By: _____
Alicia Romero

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Bell, CA 90201 USA
(323) 771-6822
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fppc ID 1331422

Council Agenda Report

December 14, 2011

TO: City Council

FROM: Arne Croce, Interim City Administrative Officer
Bill Statler, Pro Bono Budget Advisor
Ken Hampian, Pro Bono Facilitator

SUBJECT: GOAL-SETTING PROCESS FOR 2012-13

RECOMMENDATION

Approve the goal-setting process for 2012-13.

DISCUSSION

Overview

The purpose of this report is to finalize the goal-setting process for 2012-13, including detailed plans for the Community Forum to be held on Saturday morning, January 21, 2012 at the Bell Community Center; and the Council goal-setting workshop to be held on Saturday morning, January 28, 2012, also at the Bell Community Center.

The proposed process builds on successful goal-setting approaches used by other communities and reflects input from the Institute for Local Government, which has extensive knowledge of effective community engagement efforts throughout the State.

Background

On November 9, 2011, the Council approved the goal-setting and budget schedule for 2012-13, including the conceptual approach to Council goal-setting as part of this process. Under this approach, the City will begin the budget process with the Council setting goals for the most important things for the City to accomplish in the coming fiscal year. Based on experience in other communities, this has been a successful approach in assuring that the fundamental purpose of the City's budgetary process is achieved: linking the highest priority, most important things to accomplish for the community in the coming fiscal year with the resources needed to do so.

Two-Step Approach

As outlined at the November 9 meeting, we recommend using a "two-step" approach to the Council goal-setting process.

1. ***Community Forum.*** Held on the *morning of Saturday, January 21, 2012,* the purpose of this forum is to engage the community in a discussion of "what are the most important, highest priority things for the City to accomplish in the coming fiscal year."

2. ***Council Goal-Setting Workshop.*** Following the results of the Community Forum on January 21, and the receipt of other written suggestions, the Council goal-setting workshop will be held on the *morning of Saturday, January 28, 2012.*

Ken Hampian, retired City Manager of the City San Luis Obispo who previously served the City as the "pro bono" Interim CAO, has offered to serve on a pro bono basis as the facilitator for both the Community Forum and Goal-Setting Workshop. Additionally, other professionals have volunteered to assist with this process. Collectively, they are referred to as the "Goal-Setting Team" in this report.

Goal-Setting Process

Prior to the Community Forum and the Council Goal Setting-Workshop, City staff will conduct an extensive community outreach strategy to obtain input from active community groups as well as residents that traditionally do not engage in the civic process.

During the month of December 2011, the bilingual 2012-2013 Annual Budget Survey Form (Attachment 1) will be distributed and collected at well-attended community events, including the Baseball All Star Games and Award Presentations; the Soccer Culmination Ceremony; and the Holiday Festival. Forms will also be available on the City website, Bell City Hall and all other City facilities such as the Bell Community Center, Library and Parks. Moreover, survey forms will be provided to community groups for distribution and input.

During the first part of January, informational meetings regarding the public finance process will be conducted with interested community groups in anticipation of the Community Forum

Attachments 2 and 3 describe the proposed process at the Community Forum and Council Goal-Setting Workshop, summarized as follows:

❶ ***Community Forum: Saturday, January 21, 2012***

The purpose of the "forum" on January 21 is to provide the community with an opportunity to share with the Council what they believe are the "most important, highest" priority things" for the City to accomplish in the coming year. As discussed above, there will be extensive community outreach in preparation for the Community Forum.

At this meeting, the Council's role is to actively listen and process the input in preparation for their "goal-setting workshop" to follow on January 28. No Council discussion or action will be taken at the Community Forum.

As outlined in the Attachment 2, participants will be provided with background information about the City's fiscal outlook and the purpose of the Community Forum. At that time, the facilitator will stress that goal-setting is the start of the budget process, not the end; and that the

Community Forum, while an important part of the process, is one of many inputs that the Council will need to consider in setting goals for 2012-13 – and ultimately in adopting the Budget for 2012-13 in June 2012, based on new information that may have surfaced in the interim and the City's fiscal situation.

As reflected in Attachment 2, our plan is to form participants into small break-out groups to discuss the key question: what are the three to five most important, highest priority things for the City to accomplish in the coming fiscal year (2012-13)? Participants will self-select an English or Spanish language break-out group; and they will be randomly assigned groups to encourage diversity of interests within each group.

Each break-out group will have a facilitator who will assist with the discussion; summarize ideas on flip charts; and concisely report-out the results of their group's discussion. Current City staff members will serve as recorders at the workshop. This will both engage City staff with the community and provide staff with training to facilitate sessions in future years. The flip chart summaries of the break-out group discussion will be posted on walls by the group facilitators, organize by similar themes. Each participant will then be provided with three dots to "vote" on their top priorities on the flip charts. "Dot voting" is a common civic engagement process.

This will be followed by a "wrap-up" by the Facilitator, including an overview of how the results will be used by the Council in developing and setting goals for 2012-13.

As outlined in Attachment 2, we recommend providing on-site day care service at the Community Forum in order to encourage participation. Translation services will also be available, similar to regular Council meetings.

The Goal-Setting Team will summarize the results of the forum and distribute them to the Council by *Monday, January 23, 2012.* These will also be posted on the City's web site and emailed to those who request copies at the Community Forum.

Break-Out Group Facilitators

We are in the process of recruiting 12 English and Spanish speaking volunteers who bring strong local government experience and facilitation skills with them. The International City and County Managers Association (ICMA), Institute for Local Government and International Hispanic Network are assisting with this recruitment.

City staff will also help with the break-out groups, serving as recorders and assisting the facilitators. Training sessions will be held on the proposed process with the facilitators and City staff prior to the Community Forum.

❷ ***Council Goal-Setting Workshop: Saturday, January 28, 2012***

As discussed in greater detail below, in preparing for the January 28 workshop, Council members will provide their proposed goals by Thursday, January 26. The Goal-Setting Team will compile a composite listing of these proposed goals by "theme," including suggested wording for consolidated goal statements where similar ideas have been proposed, and distribute copies at the workshop.

Following a welcome from the Mayor and an overview of the process by the facilitator, the Council will review a consolidated summary of the goals submitted by each Council member to ensure clarity, completeness and understanding.

As outlined in Attachment 3, after this step, the Goal-Setting Team will prepare a final "menu" of proposed top goals for 2012-13 that the Council will use in prioritizing goals. Based on successful approaches in other communities, we recommend the following ranking system:

4 Most important, highest priority for City to achieve in 2012-13
3 Important goal to achieve
2 Address if resources are available
1 Defer to 2013-14 for consideration
0 Not a priority goal

In developing priorities, we recommend using a scoring system based on the assignment of points by each Council Member to identified goals. We will discuss this concept in greater detail at the goal-setting meeting.

The Goal-Setting Team will summarize the results of the Council's ranking during a break at the workshop; and return to report the results to the group. This summary will show the rankings provided by each Council member as well as the resulting ranking after totaling all scores.

Based on experience in other communities, it is likely that three priority "tiers" will emerge from the Council's goal-process at the January 28 workshop (Attachment 4):

1. **Major City Goals**. These represent the most important, highest priority goals for the City to accomplish in the coming fiscal year, and as such, resources to accomplish them should be a priority for inclusion in the 2012-13 Budget. These will be reviewed by the Council at the March 21, 2012 "Strategic Budget Direction" workshop, and compared with projected available financial resources. If a "major city goal" is not included in the CAO's proposed Preliminary Budget, compelling reasons and justification must be provided as to why resources could not be made available to achieve this goal.

2. **Other Important Goals**. Goals in this category are important for the City to accomplish, and resources should be made available in the 2012-13 Budget if at all possible.

3. **Address as Resources Permit**. While it is desirable to achieve these goals during the coming fiscal year, doing so is subject to current resource availability.

Suggested guidelines for Council members during the goal-setting process are provided in Attachment 5.

Council Homework Assignment

Provided in Attachment 6 is the Council's "homework assignment" for the January 28 workshop. It requests that Council members prepare and submit to the CAO ***up to seven (7) proposed goals*** for Major City Goals by *Thursday, January 26, 2012.* The Goal-Setting Team will then compile

a verbatim, composite list organized based on common topics, without identifying who submitted the particular statements.

Where appropriate, the Goal-Setting Team will provide suggested wording for a composite goal statement where similar ideas have been submitted. We recommend that Council members refrain from releasing their personal lists so that each Council member has flexibility to review all of the submissions and discuss them at the goal-setting workshop before staking a position. This consolidated listing will be distributed at the workshop.

Major City Goal Criteria

Provided in Attachment 7 are the suggested "criteria for major City goals," which have been used effectively used by other communities.

Strategic Budget Direction: March 21, 2012

As set forth in the budget and goal-setting process approved by the Council on November 9, the CAO plans to return to the Council at a special budget meeting on March 21, 2012 with the proposed framework for balancing the 2012-13 Budget. This will include factors such as compensation, staffing and expenditure reductions; new revenues; use of reserves; and other budget-balancing strategies. This will also be an opportunity to recommend to the Council the proposed approach in responding to the major City goals set at the January 28 workshop in the Preliminary Budget.

Goal-Setting Calendar

The following summarizes key dates leading to the January 28 goal-setting workshop:

Council Goal-Setting Calendar

When	What
Ongoing	Outreach and notice inviting community participation in the goal-setting and budget process
Saturday, January 21	Council holds community forum.
Monday, January 23	Council receives written results from community forum.
Thursday, January 26	Council members submit candidate goals to the CAO.
Saturday, January 28	Council holds goal-setting workshop.

Next Steps

After the goal-setting workshop, key remaining dates in the budget process include:

Key Budget Dates after the Community Forum and Goal-Setting Workshop

When	What
February 22, 2012 ***Regular Meeting***	**Mid-Year Budget Review.** Consider the City's fiscal status at the mid-point of the fiscal year and make appropriation adjustments as necessary.
March 21, 2012 ***Special Budget Workshop***	**Strategic Budget Direction.** Conceptually approve budget-balancing framework for 2012-13 and approach to responding to major city goals in the Preliminary Budget; and other budget direction as needed.
May 25, 2012	**Preliminary Budget.** Receive 2012-13 Preliminary Budget.
June 6, 2012 ***Special Budget Workshop***	**Budget Workshop.** Review the Preliminary Budget.
June 13, 2012 ***Regular Meeting***	**Budget Workshop.** Continue to review the Preliminary Budget; respond to questions and request for information from the June 6 workshop
June 27, 2012 ***Regular Meeting***	**Budget Adoption.** Hold final hearings on and adopt the budget.

SUMMARY

Council goal-setting is an important "first step" in the City's budget process. In fact, it is important to stress just this fact—it is the beginning of the budget process, not the end. Setting goals is *not* adoption of the budget. As reflected in the budget schedule above, this will not occur until June 2012, following issuance of the Preliminary Budget and extensive budget workshops and hearings.

ATTACHMENTS

1. Bilingual 2012-2013 Annual Budget Survey Form
2. Outline for Community Forum (January 21)
3. Outline for Council Goal-Setting Workshop (January 28)
4. Likely Goal Categories
5. Guidelines for Council Members During the Goal-Setting Process
6. Sample Form for Council Members to Submit Proposed Goals
7. Criteria for Major City Goals

ATTACHMENT 1

2012-2013 ANNUAL BUDGET CALENDAR

Wednesday, December 14, 2011 7:30 pm
Goal Setting Budget Process Approval reviewed during the City Council Meeting at the Bell Community Center

Wednesday, January 11, 2012 7:30 pm
General Fund Five-Year Fiscal Forecast during the City Council Meeting

Saturday, January 21, 2012 at 8:30 am
Special Budget Workshop/Open Community Forum on the Annual Budget at the Bell Community Center

Saturday, January 28, 2012 at 8:30 am
Special Budget Workshop to Set City Council Goals on the Annual Budget at the Bell Community Center

Wednesday, February 22, 2012
Mid-Year Budget Review during the City Council Meeting

Wednesday, March 21, 2012
Strategic Budget Workshop during a Special City Council Meeting

Wednesday, June 6, 2012
Special Budget Workshop to Review the Preliminary Budget

Wednesday, June 13, 2012
Continued Budget Review during the City Council Meeting

Wednesday, June 27, 2012
2012-2013 Annual Budget Adoption during the City Council Meeting

BELL RESIDENTS: WHAT IS MOST IMPORTANT TO YOU?

2012–2013 Annual Budget Survey Form

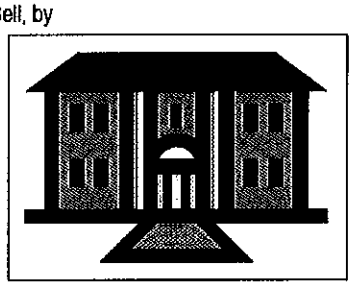
The City of Bell is planning its upcoming 2012-2013 Annual Budget. The annual budget serves as a road map for cities to follow during the fiscal year which begins on July 1 and ends on June 30 of every calendar year. The budget ensures that municipal services provided reflect the communities priorities and are within a city's financial means.

During the coming months, City staff will develop a draft 2012-2013 Annual Budget. The City seeks to learn which municipal programs and services Bell residents believe to be the most necessary and should be funded in the Annual Budget. Your opinions are important and will be used to develop the final budget recommendations made to the City Council.

The City will host a Special Budget Workshop Open Community Forum on Saturday, January 21, 2012 at 8:30 am on the 2012-2013 Annual Budget at the Bell Community Center to obtain community feedback. Bell residents are invited to actively participate and provide their opinions and suggestions.

If you are unable to attend the community meeting, but would like to provide input, return this Budget Survey Form to Ms. Magdalena Prado, City of Bell, by

- Dropping it off at the Bell City Hall Counter Monday - Friday, from 8 am to 4 pm;
- Mailing it to Bell City Hall c/o Ms. Prado at 6330 Pine Avenue in Bell, CA 90201;
- Faxing it to (323) 771-9473; or
- Emailing it as a PDF document to mprado@cityofbell.org.



CITY OF BELL IS WORKING FOR YOU!

I believe the City's most the important funding priorities (programs & services) are:

1) _____

_____

2) _____

_____

3) _____

_____

Name (Optional) _____

Email Address (Optional) _____

ATTACHMENT 1

Calendario del presupuesto para el año 2012-2013

Miércoles, 14 de diciembre de 2011, 7:30 pm
Aprobación Sobre el Proceso de Establecer Metas Presupuestarias durante la Reunión del Concejo Municipal en el Centro Comunitario de Bell

Miércoles, 11 de enero de 2012, 7:30 pm
Proyección Fiscal de Cinco Años para el Fondo General durante la Reunión del Concejo Municipal en el Centro Comunitario de Bell

Sábado, 21 de enero de 2012, 8:30 am
Taller Especial y Foro Comunitario Abierto sobre el Presupuesto Anual en el Centro Comunitario de Bell

Sábado, 28 de enero de 2012, 8:30 am
Taller Especial y Determinación de Metas por el Consejo sobre el Presupuesto Anual en el Centro Comunitario de Bell.

Miércoles, 22 de febrero de 2012
Revisión Semi-anual del Presupuesto durante la Reunión del Concejo Municipal

Miércoles, 21 de marzo de 2012
Taller sobre Estrategias Presupuestarias durante una Reunión Especial del Concejo Municipal

Miércoles, 6 de junio de 2012
Taller Especial y Revisión Preliminar del Presupuesto durante la Reunión Especial del Concejo Municipal

Miércoles, 13 de junio de 2012
Continuación de la Revisión del Presupuesto durante la Reunión del Concejo Municipal

Miércoles, 27 de junio de 2012
Adopción del Presupuesto para el Año 2012-2013 durante la Reunión del Concejo Municipal

RESIDENTES DE BELL:
¿QUÉ ES LO MÁS IMPORTANTE PARA USTED?

Formulario de encuesta sobre el presupuesto anual, 2012–2013

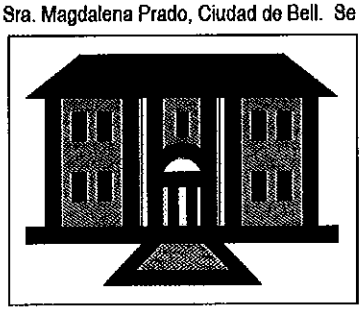
La Ciudad de Bell está planeando su Presupuesto Para el Año 2012-2013. El presupuesto anual sirve como una guía que las ciudades aplican durante sus años fiscales para asegurarse que los servicios municipales efectivamente proporcionados reflejen las prioridades de las comunidades y sean acordes con la situación financiera real de la ciudad. Los presupuestos de las ciudades se planean de acuerdo con un calendario fiscal que comienza el 1 julio y termina el 30 junio de cada año natural.

Durante los próximos meses, el personal de la Ciudad elaborará un Proyecto de Presupuesto para el Año 2012-2013. *La Ciudad quiere aprender de los residentes de Bell sobre cuáles programas y servicios municipales, según su punto de vista, son los más necesarios y merecedores del financiamiento para el Presupuesto Anual de 2012-2013.* Sus opiniones son importantes, ya que se utilizarán para elaborar las recomendaciones definitivas que presentarán al Concejo Municipal sobre el presupuesto.

El sábado, 21 de enero de 2012, la Ciudad presentará un Taller Especial y Foro Abierto Comunitario sobre el Presupuesto del Año 2012-2013, en el Centro Comunitario de Bell, desde las 8:30 am, para escuchar las opiniones de los residentes. Se invita a los residentes de Bell a participar.

Si usted no puede asistir a la reunión comunitaria, pero quisiera contribuir con sus ideas, sírvase entregar este Formulario de Encuesta sobre el Presupuesto a la Sra. Magdalena Prado, Ciudad de Bell. Se puede:

- Dejarlo en el Mostrador del Palacio Municipal de Bell de lunes a viernes, de 8 a.m. a 4 p.m.;
- Enviarlo por correo postal a: Bell City Hall, Ms. Prado, 6330 Pine Avenue, Bell, CA 90201;
- Enviarlo por fax al (323) 771-9473; o
- Enviarlo por correo electrónico en formato pdf a mprado@cityofbell.org



La Ciudad De Bell Esta Trabajando Para Usted

Creo que las cosas más importantes que la ciudad debe financiar (programas y servicios) son:

1) _____

_____

2) _____

_____

3) _____

_____

Nombre (opcional) _____

Correo electrónico (opcional)) _____

ATTACHMENT 2

Community Forum

9:00 AM to Noon, Saturday, January 21, 2012
Bell Community Center

8:30 **Light Refreshments**

9:00 Welcome — Mayor Ali Saleh

9:05 **Process Overview** — Ken Hampian, Pro Bono Facilitator; Terry Amsler, Institute for Local Government

9:15 **Background**

- Status of Current Goals — Arne Croce, Interim CAO
- Fiscal Outlook — Bill Statler, Pro Bono Budget Advisor

9:30 **Break-Out Groups**

- Community members form into small break-out groups (8 to 10 each) to discuss: ***what are the three to five most important, highest priority things for the City to accomplish in the coming fiscal year (2012-13)?***
- Participants self-select English or Spanish language break-out group. Participants will be randomly assigned groups based on color-coded name tags.
- Small group facilitator assists with discussion and summarizes ideas on flip chart. When possible, group reaches consensus on three to five top priorities for the coming fiscal year.

10:30 **Reporting-Out**

- Small group facilitator briefly reports-out the results of their group's discussion
- Flip chart summaries posted on walls; small group facilitators organize by similar themes.

11:30 **Participants Vote on Top Priorities with Dots**

Each participant provided with three dots to "vote" on their top priorities on the flip charts

11:45 **Wrap-Up: Where to From Here?** — Facilitator

Preparation

- Recruit up to 12 small-group facilitators, some with bilingual skills; hold teleconference briefing 10 days before workshop and on-site briefing early on the day of the Community Forum
- Prepare handouts on budget process, financial overview, current goals and fiscal forecast
- Provide name tags for each participant (color coded for random assignment to break-out groups)
- Provide flip charts and easel for each small group (up to 12)
- Arrange for on-site child care
- Provide audio and translation services like usual Council meeting
- After receiving break-out group reports, provide 3 adhesive dots per attendee.
- Identify and purchase supplies prior to meeting; order refreshments early

ATTACHMENT 3

Council Goal-Setting Workshop

9:00 AM to Noon, Saturday, January 28, 2012

Bell Community Center

8:30 - 9:00	Light Refreshments	
9:00 - 9:05	Welcome and Introductions	Mayor Ali Saleh
9:05 - 9:15	Purpose, Process and Guidelines	Ken Hampian, Facilitator
9:15 – 10:00	Review Consolidated Goals by Category Finalize Candidate Goals	Facilitator/Council
10:00 – 10:15	Break while staff finalizes candidate goals for ranking by Council	
10:15 – 10:45	Discuss and Clarify the Goals Each Member Prepares a Written Ballot Ranking the Goals	Council
	4 Most important, highest priority for City to achieve in 2012-13 3 Important goal to achieve 2 Address if resources are available 1 Defer to 2013-14 for consideration 0 Not a priority goal	
	Total points: Target of 2 points per candidate goal (For example, if 20 candidate goals, 40 points total)	
10:45 - 11:15	Break while staff tabulates the results	
11:15 - 11:30	Review and Identify Major City Goals	Council
11:25 to 11:50	Public Comment	
11:50 - Noon	Wrap-Up: Where to From Here?	Council/Facilitator

Preparation

- Staff distributes written summary of the Community Forum results by Monday, January 23
- Council members prepare 5 to 7 candidate goals and present to staff by Thursday, January 26
- Staff compiles list of Council candidate goals by "theme;" including suggested wording for "composite" goal statement where there are similar ideas; and distributes copies at the workshop
- Staff prepares a template for Council ballot sheet;
- 5 hand calculators for Council members in allocating points
- Consolidated goals, e-projector, laptop and screen, printer/copier
- Provide audio and translation services like usual Council meeting
- Assign staff to record goal statements as Council formulates them
- Identify and purchase supplies; secure refreshments

ATTACHMENT 4

Likely Goal Categories

Based on experience in other communities, it is likely that three priority "tiers" will emerge from the Council's goal-process at the January 28 workshop:

1. **Major City Goals.** These represent the most important, highest priority goals for the City to accomplish in the coming fiscal year, and as such, resources to accomplish them should be a priority for inclusion in the 2012-13 Budget. These will be reviewed by the Council at the March 21, 2012 "Strategic Budget Direction" workshop, and compared with projected available financial resources. If a "major city goal" is not included in the CAO's proposed Preliminary Budget, compelling reasons and justification must be provided as to why resources could not be made available to achieve this goal.

2. **Other Important Goals.** Goals in this category are important for the City to accomplish, and resources should be made available in the 2012-13 Budget if at all possible.

3. **Address as Resources Permit.** While it is desirable to achieve these goals during the coming fiscal year, doing so is subject to current resource availability.

ATTACHMENT 5

Suggested Guidelines for Council Members During the Goal-Setting Process

1. Encourage community groups and citizens to submit written comments about desired goals.

2. Invite citizens to participate in Community Forum and to listen and learn from their neighbors.

3. Receive comments from community and acknowledge their input without prematurely expressing your point of view.

4. Assure the community that you are willing to listen openly to all perspectives.

5. Focus your submission of suggested goals on a short list of key priorities to target City resources (***not to exceed seven candidates***).

6. Avoid publicizing your submission of suggested goals. Let staff compile your submissions verbatim into a composite list of goals by category without identification of who made each suggestion. This enables you to see the whole picture.

7. Give yourself flexibility by not publicly staking positions in advance of the January 28, 2012 Council Goal-Setting Workshop.

8. Use this process as a way to learn from citizens and Council colleagues about what's important.

9. Explore areas where the Council can come together for positive action.

10. Recognize that this is an important step, but only the first step, in the planning and budgeting for the next year.

ATTACHMENT 6

Council Member Proposed Major City Goals

Please prepare up to seven proposed Major City Goals and submit them to the CAO by Thursday, January 26, 2012. Staff will then compile a verbatim, composite list by topic without identifying who submitted the particular statements; and where appropriate, suggest wording for composite goal statements where similar ideas have been submitted. These will be distributed at the workshop on Saturday, January 28, and form the foundation for setting goals and establishing priorities.

Please refrain from releasing your personal list so that each Council member has flexibility to review all of the submissions and discuss them at the Council Goal-Setting Workshop before staking a position. An electronic version of this form will be provided to you.

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ATTACHMENT 7

Criteria for Major City Goals

1. Be legitimate to our genuine beliefs (real, supported).
2. Agreed upon by a Council majority.
3. Focused in number for comprehension, communication and focus.
4. Set forth in one document—the Budget.
5. Be clear and understandable.
6. Established as a high priority and a real commitment.
7. Reflect major goals that cannot be achieved without Council support.
8. Translated into the objectives of employees at all levels of the organization.
9. Created within a supportive atmosphere where participants are not afraid to state their suggestions for improving goals or objectives.
10. Reflect genuine consensus: while unanimous agreement is not required, the resulting major city goals should reflect strong Council commitment to these as top priorities for the coming year.

Council Agenda Report

December 14, 2011

TO: City Council

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

SUBJECT: GENERAL OBLIGATION BOND WORK-OUT PLAN

RECOMMENDATION

Adopt a resolution approving the General Obligation Bond Work-Out Plan and related implementation actions.

DISCUSSION

Overview

Unless corrective is taken as recommended in the attached General Obligation (G.O.) Bond Work-Out Plan, the City is facing the requirement next fiscal year to increase the tax levy for the repayment of these bonds from the existing amount of $2.1 million to $3.5 million – an increase of $1.4 million (70%). This would result in an increase in the tax levy on property owners of approximately $106 per $100,000 of assessed valuation.

At its August 24, 2011 meeting, the Council was presented with a conceptual plan that would significantly mitigate the need for this increase: using the existing balance remaining from the bond proceeds to reduce annual debt service requirements beginning next fiscal year and annually thereafter until all bonds are repaid. The Council directed preparation of a comprehensive bond work-out plan based on this concept, which is provided in Attachment 1.

The attached plan concludes that the conceptual approach presented to the Council in August 2011 is feasible. The key report finding is that, compared with the option of doing nothing, significant debt service reductions are available to the City that can readily be put in place by March 2012, which is well before adoption of the 2012-13 Budget in June 2012 and when the next levy action is required by the Council in August 2012.

Along with a detailed analysis of the current situation and available options, the attached report identifies the "next steps" ahead for the City in achieving these reductions.

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 sidebar chart shows the uses of these funds. As reflected in this chart, $20.6 million from the bond proceeds remains unexpended.

The City began levying 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.

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 70% in the tax levy.

G.O. Bond Sources and Uses Summary	
Sources	
Bond Proceeds	50,000,000
Interest Earned	324,706
Cost of Issuance	(1,116,607)
Net Sources	**49,208,099**
Uses	
Project Management	1,093,443
Civic Center	664,080
Bell Sport Complex	7,294,984
Debs Park	796,068
Vet's Park Clubhouse	2,788,956
City Monument	2,192
Skate Park	191,014
Little Bear Park	8,502,686
Nueva Vista Park	1,363,089
Treder Park	65,670
Debt Service	5,846,823
Total Uses	**28,609,005**
Balance Remaining	**$20,599,094**

Tax Levy Mitigation Concept

At its August 24, 2011 meeting, the Council approved 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 $20.6 million 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 existing balance from the bond proceeds to reduce outstanding bonds from $50 million to $30 million, which will in turn result in reduced debt service payments and related tax levy requirements.

In follow-up to this conceptual strategy, the Council directed the preparation of a detailed G.O. Bond Work-Out Plan. On September 28, 2011, the Council selected KNN Public Finance (KNN) to provide Financial Advisor services in preparing the plan.

Results of Bond Work-Out Plan

The attached report prepared by KNN (Attachment 1) confirms the feasibility of significantly reducing the tax levy otherwise required next fiscal year (2012-13) to fully meet the City's general obligation bond requirements.

There are two basic approaches in doing so. As discussed below, it is likely that a combination of both of these approaches will be needed.

- ***Direct Purchase.*** With this approach, the City would purchase outstanding bonds directly from current bondholders 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.

- ***Defeasance.*** In general, defeasance allows paying-off some or all of an outstanding debt earlier than scheduled. It is similar in concept to paying-off some or all of a mortgage balance sooner than the scheduled final payment date. In this case, defeasance means that the City will prepay a portion of the outstanding bonds by funding an escrow account with remaining bond proceeds. While still significant, the resulting savings are slightly less than those possible through a tender offer. To the degree that tender offers fall short of $20 million (or do not result in level debt service payments), "defeasance" would be used for the remaining balance. For example, if tender offers were received for $15 million, the remaining $5 million in proceeds would use the "defeasance" approach.

These actions can be in place by March 2012, which is well before 2012-13 budget adoption by the Council in June 2012 and the next levy action required by the Council in August 2012.

Impact of Work-Out Plan on Tax Levies

The following chart shows that significant tax reductions are available under the plan.

G.O. Bond Work-Out Levy Impacts				
	Levy Amount	Levy Rate	Levy Per $100,000 Assessed Value	Change from 2011-12
Existing GO Bond 2011-12 Tax Levy	$2,064,000	0.152859%	$153	
Required to Meet 2012-13 Obligation	$3,500,000	0.259209%	$259	$106
Estimated After "Bond Work-Out" Plan				
Purchase of 2007 Bonds	$2,038,000	0.150933%	$151	($2)
Defeasance of 2007 Bonds	$2,252,000	0.166782%	$167	$14

Based on 2011-12 Assessed Value

- Without the plan, the tax levy will increase from $2.1 million to $3.5 million. Based on 2011-12 assessed valuation, this will increase taxes by $106 per $100,000 of assessed valuation – an increase of 70%.

- Under the proposed work-out plan, the required tax levy decreases significantly. If all of the remaining $20 million in bonds could be redeemed via the "direct purchase" approach, the required levy would fall to $2.038 million, and the tax rate could be decreased slightly (by $2 per $100,000 assessed valuation). However, as noted above, it is unlikely that all of the bonds will be redeemed with this approach: some portion is likely to be redeemed using the defeasance approach.

- However, even if all of the remaining $20 million in bond proceeds used the "defeasance" option, which is not as favorable as direct purchase, significant reductions will still be realized. The required tax levy would fall to $2.25 million versus $3.5 million, resulting in a very modest increase of $14 per $100,000 assessed valuation. This represents a significant savings compared with taking no action, which would require an increase of $106 per $100,000 assessed valuation.

As discussed above, it is likely that a combination of both of these approaches is the outcome. Accordingly, the resulting reduction in annual debt service requirements is likely to fall between these two points.

Next Steps

Implementing the recommended work-out plan is a complex legal and financial process. For this reason, successful implementation requires assembling a team of technical experts. As discussed in detail in Attachment 1, the next step is to assemble the remaining team members required to implement the plan:

- ***Bond Counsel.*** Contracting with a bond counsel firm with special expertise in this area will ensure that any legal issues associated with implementing the plan – whether through direct purchase, defeasance or the likely mix of both – are fully addressed and mitigated. We recommend selecting the bond counsel firm through a competitive request for proposal (RFP) process from three to four firms with offices in California. KNN will assist the City with this process. Proposals will be evaluated based on several factors in determining the best overall proposal and fit for the City, including understanding of the work required by the City; quality, clarity and responsiveness of the proposal; recent experience in successfully performing similar services; proposed approach in completing the work; and proposed compensation. As reflected above, contract award will not be based solely on price, but on a combination of factors as determined to be in the best interest of the City. The selected firm may be asked to provide other advice to the City as needed. As discussed below in the *Summary*, we recommend that the Council authorize contract award by the CAO, subject to approval of the Agreement by the City Attorney.

- ***Tender Agent.*** In implementing the direct purchase component, this firm takes the lead responsibility in identifying bond holders and seeking their tender of bonds for repurchase by the City. There is only one firm in the municipal market that provides the services required for a tender program: Bond Communications Group (BCG). Accordingly, we recommend contracting with this firm.

- ***Arbitrage and Escrow Advisor.*** A third specialist is needed to assist the City with meeting its prior federal tax covenants for accounting and reporting of interest earnings (referred to as

"arbitrage compliance"); and, if necessary, helping with the investment of a defeasance escrow. KNN will assist the City in contracting for this low-cost service.

- ***Escrow Agent.*** A bank corporate trust department will hold any escrowed funds as part of a defeasance. The current paying agent on the City's bonds, U.S. Bank, should assume this role.

The attached report sets forth the remaining implementation steps and time frames. As reflected in the report, the reduced debt service requirements can be in place by March 2012

Financial Impact

The proposed budget for completing all components of plan, regardless of the resulting mix of approaches, is presented below. These one-time costs are very modest, especially when compared with the $35 million in savings in debt service payments over the next 25 years.

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

Subject to concurrence by the selected Bond Counsel firm, we recommend funding these costs from the remaining bond proceeds (the debt service reduction analysis in the attached report includes these costs). If some or all of the costs cannot be paid from proceeds, they will be paid from the General Fund or another legally available source.

Alternatives

Do Not Move Forward with the G.O. Bond Work-Out Plan

As discussed above, this will result in a 70% increase in the tax levy next fiscal year. Accordingly, we do not recommend this option.

"Restructure" the Bonds Rather than Use the Remaining Proceeds Balance

The two most common forms of restructuring are extending the term and/or phasing the debt service payments so they are lower in the early years and increase in the later ones. Compared with the proposed work-out plan, which uses the remaining bond proceeds to lower the outstanding debt, restructuring would retain the current bond balance for future projects.

For the reasons outlined below, extending the repayment term will not result in a significant reduction in debt service costs and tax levy requirements. In fact, based on a preliminary analysis by KNN, this is likely to increase annual debt service costs.

- Restructuring extends the time frame for repayment, and this can result in lower annual payments. However, the full principal portion still needs to be repaid and interest payments are still required (most likely at higher rates than the current bonds).

- Restructuring is typically done in the context of a refunding (similar to refinancing a home mortgage). There would be significant issuance costs associated with refunding the $50 million in outstanding bonds, ranging from $1 to $2 million. (This compares with the one-time costs for the proposed bond-work plan of $115,000.) These costs would be folded into the bond issue, thus increasing the amount of outstanding debt to be financed. It is unlikely that the repayment term could be extended through direct negotiations with bondholders or insurers: KNN is aware of only a few instances where this has occurred; and in those cases, the bonds were in actual default.

- Given current market circumstances and Bell's past financial management difficulties, interest rates are likely to be even higher than on the current bonds.

- Restructuring the bonds would require creating an escrow account, similar to the one described in the attached report for the "defeasance" option. And just like the "defeasance option," there would be "negative arbitrage:" that is, earnings on the funds invested in the escrow account would be lower than the interest cost on the bonds, requiring that more money be placed in escrow. However, it would be on an even larger number – $50 million instead of $20 million – so it would be even more costly to do.

- Besides term extension, the bonds could be restructured for lower debt payments now and higher ones later. This would mean even higher tax increases down the road than the $1.4 million increase (70%) that will be required without the proposed "work-out."

Long Story Short: Restructuring the bonds will not result in lower debt service costs. In fact, doing so is likely to make these costs even higher.

SUMMARY

In significantly reducing next year's tax levy requirements, we recommend that the Council adopt a resolution (Attachment 2) that approves implementation of the G.O. Bond Work-Out Plan, adopts a budget for this work and authorizes the City Administrative Officer to take the following actions if within the plan budget:

- Begin implementing the plan through the combination of "tender offer" and "defeasance" that will result in the lowest amount of level debt service.

- Contract with Bond Counsel via a competitive RFP process, subject to approval of the Agreement by the City Attorney, to provide advice relative to federal tax law, draft bond tender (repurchase) documents, and provide advice relative to continuing disclosure requirements.

- Contract with the Bond Communications Group following consultation with Bond Counsel, subject to approval of the Agreement by the City Attorney, to serve as tender agent to facilitate the potential repurchase of outstanding general obligation bonds.

- Contract with a firm, subject to approval of the Agreement by the City Attorney, to provide arbitrage calculations and, if appropriate, investment of a defeasance escrow.

- Amend the contract with KNN for continued advice, subject to approval of the amended Agreement by the City Attorney, regarding the repurchase of outstanding general obligation bonds and, if necessary, the defeasance of such bonds, in order to facilitate the most efficient reduction of the City's general obligation bond indebtedness.

- Retain Bill Statler for project management in coordinating implementation of the work-out process.

ATTACHMENTS

1. General Obligation Bond Work-Out Plan

2. Resolution approving the General Obligation Bond Work-Out Plan and related implementation actions

KNN public finance

MEMORANDUM

To: Arne Croce, Interim City Administrative Officer
City of Bell

From: David Brodsly, Jon Armstrong and Nedko Nedev
KNN Public Finance

Re: Options for reducing general obligation bond debt service

Date: November 21, 2011

Summary of Report Findings and Recommendations

This report confirms that it is feasible to significantly reduce the tax levy that would otherwise be required next fiscal year (Fiscal Year 2012-13) to fully meet the City's general obligation bond requirements.

As discussed in greater detail below, the best option available to the City is to directly purchase outstanding 2007 bonds from current bondholders through a "tender" offer. However, the success of this approach will be determined by market factors that are beyond the control of the City. Accordingly, it is likely that this approach will be combined with a "defeasance," where the City prepays its outstanding bonds by funding an escrow account. While these actions will significantly reduce the tax levy in FY 2012-13 from what otherwise would be required—by about one third—it is unlikely to reduce the levy below the existing level.

Along with a detailed analysis of the current situation and available options, this report identifies the "next steps" ahead for the City in achieving these reductions.

In summary, the key report finding is that, compared with the option of doing nothing, significant debt service reductions are available to the City that can readily be put in place before the next levy action is required by the Council in August 2012.

Discussion

The City of Bell has engaged the services of KNN Public Finance to analyze its options for using remaining proceeds from its issuance of general obligation bonds to lower its general obligation debt service, with the goal of reducing the City's property tax levy requirement. Unless such action is taken, the City will need to levy property taxes of $3.5 million in FY 2012-13 to pay debt service. The amount levied in the current fiscal year (FY 2011-12) was $2.1 million.

Because the bonds are not currently "callable" (i.e., pre-payable at the City's option), our analysis has focused on two options:

- "Defeasing" bonds, by which the City would reduce its obligation to pay debt service by setting aside funding in an investment escrow until the bonds' call dates.
- Buying bonds directly from investors (called a tender offer). This option could be the most efficient approach and result in greater reductions in debt service payments.

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Our analysis assumes that the City has $20.6 million in unexpended proceeds from its sale of general obligation bonds in 2007. Debt service for the bonds for FY 2011-12 is $2.7 million. As noted above, unless action is taken to reduce annual debt service obligations, this is scheduled to increase to $3.5 million in FY 2012-13. The City has levied $2.1 million for debt service to be collected by Los Angeles County, so that $600,000 in bond proceeds or other available funds will be required to meet current year debt service requirements, leaving approximately $20 million in unexpended proceeds to be applied towards debt reduction. For purposes of our analysis, we have assumed $115,000 in total transaction costs, and that those costs would reduce the amount of available bond proceeds. The cost of this program is very modest compared with the cost of bond issuance.

In addition to resolving the outstanding legal questions identified below, a number of market-based factors will determine the precise amount by which the tax levy can ultimately be lowered. As a way to measure the likely results for the purpose of informing decision-making, we have analyzed a variety of alternative scenarios for the application of remaining proceeds, depending on which of the outstanding bonds are dispatched, the method by which they are repaid, and assuming certain market conditions.

The table below summarizes the amount of bonds defeased or purchased, and the estimated resulting annual debt service for the remaining bonds, under two alternatives:

- A defeasance of 2007 bonds, which is the scenario that is most certain to be achieved, but which also leaves the highest tax rate; and
- A purchase of 2007 from investors, which produces the lowest tax rate, but is also most subject to market events outside the City's control.

Schedules showing additional detail on these and other scenarios are provided in the Appendix.

Scenario	Amount of Election of 2003 Bonds Issued	Amount of Bonds Defeased or Purchased	Amount of Bonds Outstanding[1]	Remaining Annual Debt Service[2]
Defeasance of 2007 bonds	$50,000,000	$16,400,000	$32,880,000	$2,262,000
Purchase of 2007 bonds at par (100%)	$50,000,000	$19,480,000	$29,800,000	$2,038,000

[1] $720,000 in bonds have matured

[2] FY 2011-12 debt service levy was $2,064,000, while the levy for FY 2012-13 would be $3,466,000 absent the remediation discussed in this report.

Either of these options will result in significant reductions in the tax levy that otherwise would be required in 2012-13 to fully meet debt service obligations. As shown in the chart below, using FY 2011-12 assessed value as the basis of comparison, the current levy would have to increase by almost 70% to meet debt service requirements. This would mean an increase of $106 per $100,000 of assessed value. The need for this tax increase would be significantly reduced under either of the

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scenarios. In fact, under the "purchase" option, a modest reduction in the tax levy would be possible.

Scenario	Levy Amount	Levy Rate	Levy Per $100,000 Assessed Value	Change 2011-12 Amount	Change 2011-12 Percent
Existing GO Bond 2011-12 Tax Levy	$2,064,000	0.152869%	$153		
Required to Meet 2012-13 Obligation	$3,465,000	0.259209%	$259	$106	69.6%
Estimated After "Work-Out" Plan					
Defeasance of 2007 Bonds	$2,252,000	0.166782%	$167	$14	9.1%
Purchase of 2007 Bonds	$2,038,000	0.150933%	$151	$(2)	-1.3%

The final plan of debt reduction is likely to be a combination of the alternatives. Assuming the goal is to produce relatively level debt service, the City will probably need to combine the purchase of some bonds with the defeasance of others, depending of which bonds are offered for sale to the City.

Workout Plan Implementation

To implement the most efficient debt reduction—that is, the approach that yields the lowest annual debt service and tax levy for the City's $20 million in unexpended proceeds— the City's workout team would be expanded to include additional specialists: bond counsel; "tender" (bond repurchase) agent; arbitrage and escrow advisor; and escrow agent. The following is a brief description of the needed services that they will provide:

- **Bond Counsel.** Some of the options under consideration raise legal questions and, as mentioned in our original proposal, a bond counsel firm will help the City minimize any risks that might be associated with the most efficient approach. We can assist the City in procuring counsel for this purpose.
- **Tender Agent.** This firm takes the lead responsibility in identifying bond holders and seeking their tender of bonds for repurchase by the issuer. There is only one firm in the municipal market that provides the services required for a tender program: Bond Communications Group. We recommend that the City contract with that firm.
- **Arbitrage and Escrow Advisor.** A third specialist is recommended to assist the City with meeting its prior federal tax covenants for accounting and reporting of interest earnings (referred to as "arbitrage compliance") and, if necessary, helping with the investment of a defeasance escrow. We will assist the City in procuring this relatively low-cost service.
- **Escrow Agent.** A bank corporate trust department will hold any escrowed funds as part of a defeasance. The current paying agent on the City's bonds, U.S. Bank, would presumably assume this role.

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Legal Issues

Throughout this memo, we have noted a number of questions that would be best addressed by a bond counsel firm, a law firm that specializes in tax-exempt municipal finance. While the City could proceed without such specialized advice and respond to any consequences that arise, we believe the City would be well served to seek guidance on a number of questions that might arise as you proceed. There may be other questions arising from your other outstanding indebtedness for which bond counsel would also be useful. Given the visibility of the City of Bell, we recommend that it proceed with the best information available.

The following are the areas of concern relative to the general obligation bond program for which we think a bond counsel would be most helpful.

- **Tax law considerations.** Tax-exempt obligations are subject to a number of federal laws and IRS regulations. For example, the potential use of 2007 bond proceeds to extinguish 2004 debt, which under some circumstances would result in lower debt service, raises questions under refunding rules. Soliciting advice before proceeding would reduce the risk of a subsequent IRS audit with adverse findings.

- **Security law considerations.** As noted above, a purchase of bonds through a tender program would be the most efficient use of outstanding proceeds, resulting in the lowest tax rate, but requires bond counsel to draft documents.

- **Continuing disclosure.** When the City issued its various bonds, it made various covenants regarding filing of continuing disclosure statements. Included in this covenant is the requirement to notify the market of "material events." Given the visibility of the City in the municipal markets, we believe you would be well served to seek advice of counsel with specialized experience in this area.

Recommendations

Adopt a resolution authorizing the City Administrative Officer (CAO) to take the following actions:

1. Proceed with preparation for a combination of a tender offer to purchase outstanding bonds from investors and a defeasance of outstanding bonds, with the goal of obtaining the lowest amount of level debt service;

2. Request proposals and contract with qualified bond counsel to provide advise relative to federal tax law, draft bond tender (repurchase) documents, and advise relative to continuing disclosure requirements;

3. Contract with Bond Communications Group, following consultation with Bond Counsel, to serve as tender agent to facilitate the potential repurchase of outstanding general obligation bonds.

4. Contract with a firm to provide arbitrage calculations and, if appropriate, investment of a defeasance escrow.

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5. Amend the contract with KNN to include advising the City in the repurchase of outstanding general obligation bonds and, if necessary, the defeasance of such bonds, in order to facilitate the most efficient reduction of the City's general obligation bond indebtedness.

6. Retain the Services of Bill Statler to coordinate the implementation of the workout process.

Next Steps

Service Agreements and Project Budget. By applying its outstanding bond proceeds, the City can significantly reduce its debt service requirements and lower its tax rate obligation. However, to maximize the use of those proceeds, we believe that your team should be expanded to include a tender agent to assist in purchasing bonds from investors, a bond counsel to provide as-needed advice in connection with federal tax and securities law, and an arbitrage consultant to make sure you comply with existing covenants relative to managing bond proceeds. As noted above, we recommend that the CAO be authorized to procure those services, if within the project budget.

The following is what we believe to be a reasonable budget for these activities. We have assumed in our analysis that these costs would be paid out of bond proceeds, although advice of bond counsel will be required to ensure this is a legal use of those funds. If some or all of the costs cannot be paid from proceeds, they will be paid from the general fund or another legally available source.

Bond Communications Group	$40,000
Bond Counsel	$30,000
Financial Advisor (KNN)	$15,000
Arbitrage consultant	$5,000
Escrow agent	$1,000
Project management (W. Statler)	$3,500
Contingencies	$20,500
Total	$115,000

Schedule. The following outlines key dates, leading to reduced debt service requirements prior to the need to set the tax levy for FY 2012-13 next August:

Tasks	Date
Council approves bond work-out plan in concept and authorizes CAO to move forward	12-14-11
CAO contracts for remainder of project team, including Bond Counsel, Tender Agent and Arbitrage Consultant	December
Bond work out team drafts appropriate documentation	December/January

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Tasks	Date
Identify, to the extent possible, current bond holders	January
Bond Team returns with Final Recommendation, Council approves appropriate documentation	February
Tender offer documents distributed to the market	February/March
Tenders accepted, escrow securities ordered, if needed	March
Closing	March

Expanded Discussion of Key Issues

The following discussion provides more detail on a few of the facts that must be taken into account when evaluating the best approach to meeting the City's goals.

- Typically, excess proceeds from a bond issue would be applied to reduce the outstanding bonds of that issue. As previously mentioned, neither the 2004 nor the 2007 bonds can be called at the present time. Tax-exempt bonds cannot be optionally called (retired early) until permitted by their documents, often a specific optional call date ten years out. The mechanism for extinguishing a bond obligation before its call date is called "defeasance;" funds are invested in an irrevocable escrow, sized to pay interest and principal until the first optional call date, and then to call the outstanding bonds.

- Bond documents also typically will have specific provisions for defeasance, requiring that the funds be invested in U.S. Treasuries to be "legally defeased." The City's bond documents do not contain such provisions. Accordingly, a defeasance escrow will not "legally" defease the bonds, but will substantially meet the same goals through what is called an "economic defeasance." Essentially, as long as the money is in a debt service fund, such a defeasance will still relieve the City from the requirement of levying taxes to pay the defeased bonds. Furthermore, an economic defeasance allows the City more leeway as to the types of investments it places in the escrow (for example, the escrow could contain federal agency securities), which can result in a further lowering of the tax rate.

- Because interest earnings on the defeasance escrow will, in the current market, be at a rate that is substantially below the rate on the City's bonds, additional funds would have to be deposited to pay interest before the bond call date. The difference between the interest rate to be paid on the bonds and the rate earned on the escrow is called "negative arbitrage". Because current Treasury yields are extremely low, and the bonds are not callable until 2017, the defeasance escrow is rather inefficient. The bonds to be defeased have 4% and 5% coupons, while at current rates even an economic defeasance escrow would earn less than 2%.

  Reducing the amount of the unexpended 2007 proceeds that must be used to make up for negative arbitrage would allow more of the funds to be used to reduce the City's debt. Our recommendations reflect the desire to minimize the cost of negative arbitrage.

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- The City's general obligation bonds were structured so that the first call date was ten years from the date of issuance, which is the current market convention. Because the 2004 bonds are callable three years before the 2007 bonds, the amount of negative arbitrage in a defeasance escrow for the 2004 bonds is substantially less. The use of 2007 bond proceeds to defease 2004 bonds raises legal questions that would not be present in defeasing the 2007 bonds, most notably because it would need to qualify as a refunding of the 2004 bonds and not simply a defeasance. This is one of the areas where the advice of qualified bond counsel would be helpful. If the option to defease or purchase the 2004 Bonds is available, this could help reduce debt service to a lower level.

- Potentially, the most efficient application of the available bond proceeds would be to buy bonds directly from investors. A direct purchase would allow the bonds to be extinguished immediately, and obviate the need to fund an escrow and its negative arbitrage. It is difficult to predict which investors will be willing to sell their bonds, and at what price. A direct purchase of bonds raises its own questions, for which bond counsel would be helpful. Among the areas where advice would be sought would include securities law (ensuring that the purchase followed any applicable regulations) and federal tax law (especially if 2007 bond proceeds were used to purchase 2004 bonds).

Options

The following summarizes the key options the City has to meet its goal of using unexpended bond proceeds to reduce debt service and its associated tax levy.

Defeasance of the 2007 bonds. This alternative is the simplest, as it raises the fewest legal questions and can likely be accomplished in a relatively short period of time. Under this "base case," the City could use the remaining $20 million in proceeds to defease about $16.4 million in bonds. Debt service on the City's remaining $32.9 million in GO bonds would be reduced to $2.25 million a year, slightly higher than the City's goal of $2.1 million. We have assumed a defeasance structured such that the overall debt service remains level. The defeasance could be refined to ensure that debt service was reduced to $2.1 million in the early years, but that would of course require higher debt service in later years.

Defeasance of the 2004 bonds. While the interest rates on the 2007 bonds are higher, the long period until their 2017 call date (the 2004 bonds are callable 2014) actually makes the 2007 bonds defeasance more expensive. If the City could use the remaining bond proceeds to defease all of the 2004 bonds ($14.28 million outstanding) and apply what is left to defease approximately $3.1 million in 2007 bonds, then you would be able to defease about $17.4 million in bonds, lowering annual debt service on the remaining $31.9 million in bonds to $2.21 million a year. Bond counsel would need to be consulted to confirm that the proceeds could be applied to the 2004 bonds.

Economic rather than legal defeasance. The above discussion assumes that bonds would be "legally defeased," which typically means a defeasance in accordance with the terms of the original documentation, and almost always would require investment in Treasury securities. Given that the 2004 and 2007 bond documents do not have terms for a legal defeasance, and therefore do not limit the securities to Treasuries, it would be possible to create an escrow of higher yielding securities, such as federal agencies, reducing the negative arbitrage and thereby defeasing more bonds. We recommend expanding the list of possible escrow securities to include all investments with federal

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guarantees; for either of the above scenarios, the amount of bonds defeased could be increased by about $300,000 to $350,000. The benefit of structuring the escrow in this manner is a function of conditions in the federal debt markets, and can therefore fluctuate over time. To execute this option, we would recommend adding an investment agent to the team if and when the City is ready to execute this option; the cost of this service should be less than $10,000. This service could be combined with another service the City needs, which is a consultant to confirm that no "arbitrage" (interest earnings above the rate on the bonds) was earned on either of the general obligation bond issues. While the impact on annual debt service and tax rate is a reduction of only $25,000 a year, we see no reason not to take advantage of the opportunity to lower debt service.

Purchase of bonds from investors. A more efficient option for using the City's outstanding proceeds would be to pay off the bonds at par; unfortunately, they are not currently callable. However, it might be possible to purchase the bonds at par from current investors. Occasionally, municipal bond issuers will solicit "tenders" of bonds for repurchase. Although it is difficult to predict the outcome of such a tender, if the 2007 bonds could be bought back at par, a tender would allow you to extinguish nearly $20 million in indebtedness, resulting in level debt service of roughly $2.04 million per year on the remaining $29.8 million of par. Because the interest rate of the 2004 bonds are lower than the 2007 bonds, a repurchase of those bonds at par would have a reduced impact on tax rates, but would still be more efficient than a defeasance escrow.

Virtually all tender offer programs, where issuers are seeking to purchase a large amount of their outstanding debt, utilize a specific company that specializes in this area. Bond Communications Group (BCG) researches who the bondholders are, and will conduct an outreach to investors to solicit tenders. The actual tender offer documents will be prepared by bond counsel selected by the City. We have solicited a proposal from BCG for managing a tender for the 2007 bonds; they propose a $30,000 fee which, if the tender is successful, would result in some $3 million in additional debt being extinguished. To the extent that a sufficient amount of 2007 bonds could not be purchased, we would recommend expanding the tender to the 2004 bonds. However, the costs would likely increase and such purchase of 2004 bonds would need to be a legally available option.

It is likely that, in order to result in a reduction in debt service that remains equal in all years, a combination of a tender and a defeasance escrow will be necessary. We recommend that staff be given sufficient discretion so as to produce the most efficient final result.

The City could also shape the remaining debt service to escalate each year, rather than be level. It is not uncommon for general obligation debt service to escalate at 2% a year, reflecting the maximum escalation of assessments allowed under Proposition 13. Seeking such a result would lower the debt service in the early years, but could require an increase in the bonded indebtedness tax rate in future years if growth in the City's assessed valuation grows at a lower rate.

APPENDICES

A. Existing general obligation bond debt service
B. Defeasance of 2007 bonds with Treasury Securities
C. Defeasance of 2004 bonds and a portion of 2007 Treasury Securities
D. Defeasance of 2007 bonds with Federal securities
E. Open market purchase of 2007 bonds at par

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APPENDIX A: Existing general obligation bond debt service

CITY OF BELL

Attachment 1

General Obligation Bonds, Election of 2003

Existing Debt Service Requirements

Bond Year Ending:	SERIES 2004				SERIES 2007				TOTAL		
	Principal		Interest	Debt Service	Principal		Interest	Debt Service	Principal	Interest	Debt Service
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8/1/2012	380,000	4.00%	641,918.76	1,021,918.76	725,000	4.00%	1,718,250.00	2,443,250.00	1,105,000	2,360,168.76	3,465,168.76
8/1/2013	395,000	4.00%	626,718.76	1,021,718.76	775,000	4.00%	1,689,250.00	2,464,250.00	1,170,000	2,315,968.76	3,485,968.76
8/1/2014	415,000	4.00%	610,918.76	1,025,918.76	820,000	4.00%	1,658,250.00	2,478,250.00	1,235,000	2,269,168.76	3,504,168.76
8/1/2015	430,000	4.00%	594,318.76	1,024,318.76	855,000	4.00%	1,625,450.00	2,480,450.00	1,285,000	2,219,768.76	3,504,768.76
8/1/2016	445,000	4.00%	577,118.76	1,022,118.76	890,000	5.00%	1,591,250.00	2,481,250.00	1,335,000	2,168,368.76	3,503,368.76
8/1/2017	465,000	4.00%	559,318.76	1,024,318.76	925,000	5.00%	1,546,750.00	2,471,750.00	1,390,000	2,106,068.76	3,496,068.76
8/1/2018	485,000	4.00%	540,718.76	1,025,718.76	960,000	5.00%	1,500,500.00	2,460,500.00	1,445,000	2,041,218.76	3,486,218.76
8/1/2019	500,000	4.00%	521,318.76	1,021,318.76	1,000,000	5.00%	1,452,500.00	2,452,500.00	1,500,000	1,973,818.76	3,473,818.76
8/1/2020	520,000	4.00%	501,318.76	1,021,318.76	1,040,000	5.00%	1,402,500.00	2,442,500.00	1,560,000	1,903,818.76	3,463,818.76
8/1/2021	540,000	4.125%	480,518.76	1,020,518.76	1,085,000	5.00%	1,350,500.00	2,435,500.00	1,625,000	1,831,018.76	3,456,018.76
8/1/2022	565,000	4.25%	458,243.76	1,023,243.76	1,135,000	5.00%	1,296,250.00	2,431,250.00	1,700,000	1,754,493.76	3,454,493.76
8/1/2023	590,000	4.25%	434,231.26	1,024,231.26	1,180,000	5.00%	1,239,500.00	2,419,500.00	1,770,000	1,673,731.26	3,443,731.26
8/1/2024	615,000	4.375%	409,156.26	1,024,156.26	1,235,000	5.00%	1,180,500.00	2,415,500.00	1,850,000	1,589,656.26	3,439,656.26
8/1/2025	640,000	4.375%	382,250.00	1,022,250.00	1,290,000	5.00%	1,118,750.00	2,408,750.00	1,930,000	1,501,000.00	3,431,000.00
8/1/2026	670,000	4.50%	354,250.00	1,024,250.00	1,345,000	5.00%	1,054,250.00	2,399,250.00	2,015,000	1,408,500.00	3,423,500.00
8/1/2027	700,000	4.50%	324,100.00	1,024,100.00	1,405,000	5.00%	987,000.00	2,392,000.00	2,105,000	1,311,100.00	3,416,100.00
8/1/2028	730,000	4.50%	292,600.00	1,022,600.00	1,470,000	5.00%	916,750.00	2,386,750.00	2,200,000	1,209,350.00	3,409,350.00
8/1/2029	765,000	5.00%	259,750.00	1,024,750.00	1,540,000	5.00%	843,250.00	2,383,250.00	2,305,000	1,103,000.00	3,408,000.00
8/1/2030	800,000	5.00%	221,500.00	1,021,500.00	1,610,000	5.00%	766,250.00	2,376,250.00	2,410,000	987,750.00	3,397,750.00
8/1/2031	840,000	5.00%	181,500.00	1,021,500.00	1,685,000	5.00%	685,750.00	2,370,750.00	2,525,000	867,250.00	3,392,250.00
8/1/2032	885,000	5.00%	139,500.00	1,024,500.00	1,770,000	5.00%	601,500.00	2,371,500.00	2,655,000	741,000.00	3,396,000.00
8/1/2033	930,000	5.00%	95,250.00	1,025,250.00	1,855,000	5.00%	513,000.00	2,368,000.00	2,785,000	608,250.00	3,393,250.00
8/1/2034	975,000	5.00%	48,750.00	1,023,750.00	1,950,000	5.00%	420,250.00	2,370,250.00	2,925,000	469,000.00	3,394,000.00
	-		-	-	2,050,000	5.00%	322,750.00	2,372,750.00	2,050,000	322,750.00	2,372,750.00
	-		-	-	2,150,000	5.00%	220,250.00	2,370,250.00	2,150,000	220,250.00	2,370,250.00
	-		-	-	2,255,000	5.00%	112,750.00	2,367,750.00	2,255,000	112,750.00	2,367,750.00
Total:	15,000,000		13,736,747.68	28,736,747.68	35,000,000		34,519,897.92	69,519,897.92	50,000,000	48,256,645.60	98,256,645.60
Total Remaining as of 10/28/2011	14,280,000		9,255,268.88	23,535,268.88	35,000,000		27,813,950.00	62,813,950.00	49,280,000	37,069,218.88	86,349,218.88

Prepared by KNN Public Finance

October 28, 2011

APPENDIX B: Defeasance of 2007 bonds with Treasury Securities

SUMMARY OF BONDS REFUNDED

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 1: Conventional SLGS Defeasance; 2007 Bonds Only; Level Unrefunded Debt Service

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation Bonds, Series 2007, 2007:					
SER_NC	08/01/2012	4.000%	415,000.00		
	08/01/2013	4.000%	450,000.00		
	08/01/2014	4.000%	485,000.00		
	08/01/2015	4.000%	505,000.00		
	08/01/2016	5.000%	525,000.00		
	08/01/2017	5.000%	545,000.00		
SER_CALL	08/01/2018	5.000%	560,000.00	08/01/2017	100.000
	08/01/2019	5.000%	575,000.00	08/01/2017	100.000
	08/01/2020	5.000%	595,000.00	08/01/2017	100.000
	08/01/2021	5.000%	615,000.00	08/01/2017	100.000
	08/01/2022	5.000%	645,000.00	08/01/2017	100.000
	08/01/2023	5.000%	670,000.00	08/01/2017	100.000
	08/01/2024	5.000%	695,000.00	08/01/2017	100.000
	08/01/2025	5.000%	725,000.00	08/01/2017	100.000
	08/01/2026	5.000%	750,000.00	08/01/2017	100.000
	08/01/2027	5.000%	780,000.00	08/01/2017	100.000
T1_29	08/01/2028	5.000%	815,000.00	08/01/2017	100.000
	08/01/2029	5.000%	855,000.00	08/01/2017	100.000
T2_32	08/01/2030	5.000%	885,000.00	08/01/2017	100.000
	08/01/2031	5.000%	925,000.00	08/01/2017	100.000
	08/01/2032	5.000%	975,000.00	08/01/2017	100.000
T3_37	08/01/2033	5.000%	1,020,000.00	08/01/2017	100.000
	08/01/2034	5.000%	1,070,000.00	08/01/2017	100.000
	08/01/2035	5.000%	105,000.00	08/01/2017	100.000
	08/01/2036	5.000%	105,000.00	08/01/2017	100.000
	08/01/2037	5.000%	110,000.00	08/01/2017	100.000
			16,400,000.00		

ESCROW COST

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 1: Conventional SLGS Defeasance; 2007 Bonds Only; Level Unrefunded Debt Service

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	02/01/2012	365,802		365,802.00
SLGS	08/01/2012	711,750	0.070%	711,750.00
SLGS	02/01/2013	288,782	0.120%	288,782.00
SLGS	08/01/2013	738,956	0.200%	738,956.00
SLGS	02/01/2014	280,695	0.290%	280,695.00
SLGS	08/01/2014	766,101	0.370%	766,101.00
SLGS	02/01/2015	272,819	0.490%	272,819.00
SLGS	08/01/2015	778,487	0.640%	778,487.00
SLGS	02/01/2016	265,879	0.800%	265,879.00
SLGS	08/01/2016	791,942	0.970%	791,942.00
SLGS	02/01/2017	257,658	1.130%	257,658.00
SLGS	08/01/2017	14,279,113	1.280%	14,279,113.00
		19,797,984		19,797,984.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
12/01/2011	19,797,984	0.66	19,797,984.66	1.182565%
	19,797,984	0.66	19,797,984.66	

ESCROW DESCRIPTIONS

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 1: Conventional SLGS Defeasance; 2007 Bonds Only; Level Unrefunded Debt Service

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Dec 1, 2011:						
SLGS	Certificate	02/01/2012	02/01/2012	365,802		
SLGS	Certificate	08/01/2012	08/01/2012	711,750	0.070%	0.070%
SLGS	Note	02/01/2013	02/01/2012	288,782	0.120%	0.120%
SLGS	Note	08/01/2013	02/01/2012	738,956	0.200%	0.200%
SLGS	Note	02/01/2014	02/01/2012	280,695	0.290%	0.290%
SLGS	Note	08/01/2014	02/01/2012	766,101	0.370%	0.370%
SLGS	Note	02/01/2015	02/01/2012	272,819	0.490%	0.490%
SLGS	Note	08/01/2015	02/01/2012	778,487	0.640%	0.640%
SLGS	Note	02/01/2016	02/01/2012	265,879	0.800%	0.800%
SLGS	Note	08/01/2016	02/01/2012	791,942	0.970%	0.970%
SLGS	Note	02/01/2017	02/01/2012	257,658	1.130%	1.130%
SLGS	Note	08/01/2017	02/01/2012	14,279,113	1.280%	1.280%
				19,797,984		

SLGS Summary

SLGS Rates File	27OCT'11
Total Certificates of Indebtedness	1,077,552.00
Total Notes	18,720,432.00
Total original SLGS	19,797,984.00

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 1: Conventional SLGS Defeasance; 2007 Bonds Only; Level Unrefunded Debt Service

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	690,000	4.000%	1,558,718.76	2,248,718.76
08/01/2013	720,000	4.000%	1,531,118.76	2,251,118.76
08/01/2014	750,000	4.000%	1,502,318.76	2,252,318.76
08/01/2015	780,000	4.000%	1,472,318.76	2,252,318.76
08/01/2016	810,000	** %	1,441,118.76	2,251,118.76
08/01/2017	845,000	** %	1,405,068.76	2,250,068.76
08/01/2018	885,000	** %	1,367,468.76	2,252,468.76
08/01/2019	925,000	** %	1,328,068.76	2,253,068.76
08/01/2020	965,000	** %	1,286,818.76	2,251,818.76
08/01/2021	1,010,000	** %	1,243,768.76	2,253,768.76
08/01/2022	1,055,000	** %	1,197,993.76	2,252,993.76
08/01/2023	1,100,000	** %	1,149,481.26	2,249,481.26
08/01/2024	1,155,000	** %	1,098,906.26	2,253,906.26
08/01/2025	1,205,000	** %	1,045,000.00	2,250,000.00
08/01/2026	1,265,000	** %	988,750.00	2,253,750.00
08/01/2027	1,325,000	** %	928,850.00	2,253,850.00
08/01/2028	1,385,000	** %	866,100.00	2,251,100.00
08/01/2029	1,450,000	5.000%	800,500.00	2,250,500.00
08/01/2030	1,525,000	5.000%	728,000.00	2,253,000.00
08/01/2031	1,600,000	5.000%	651,750.00	2,251,750.00
08/01/2032	1,680,000	5.000%	571,750.00	2,251,750.00
08/01/2033	1,765,000	5.000%	487,750.00	2,252,750.00
08/01/2034	1,855,000	5.000%	399,500.00	2,254,500.00
08/01/2035	1,945,000	5.000%	306,750.00	2,251,750.00
08/01/2036	2,045,000	5.000%	209,500.00	2,254,500.00
08/01/2037	2,145,000	5.000%	107,250.00	2,252,250.00
	32,880,000		25,674,618.88	58,554,618.88

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 1: Conventional SLGS Defeasance; 2007 Bonds Only; Level Unrefunded Debt Service

General Obligation Bonds, Series 2004 (2004)

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	380,000	4.000%	641,918.76	1,021,918.76
08/01/2013	395,000	4.000%	626,718.76	1,021,718.76
08/01/2014	415,000	4.000%	610,918.76	1,025,918.76
08/01/2015	430,000	4.000%	594,318.76	1,024,318.76
08/01/2016	445,000	4.000%	577,118.76	1,022,118.76
08/01/2017	465,000	4.000%	559,318.76	1,024,318.76
08/01/2018	485,000	4.000%	540,718.76	1,025,718.76
08/01/2019	500,000	4.000%	521,318.76	1,021,318.76
08/01/2020	520,000	4.000%	501,318.76	1,021,318.76
08/01/2021	540,000	4.125%	480,518.76	1,020,518.76
08/01/2022	565,000	4.250%	458,243.76	1,023,243.76
08/01/2023	590,000	4.250%	434,231.26	1,024,231.26
08/01/2024	615,000	4.375%	409,156.26	1,024,156.26
08/01/2025	640,000	4.375%	382,250.00	1,022,250.00
08/01/2026	670,000	4.500%	354,250.00	1,024,250.00
08/01/2027	700,000	4.500%	324,100.00	1,024,100.00
08/01/2028	730,000	4.500%	292,600.00	1,022,600.00
08/01/2029	765,000	5.000%	259,750.00	1,024,750.00
08/01/2030	800,000	5.000%	221,500.00	1,021,500.00
08/01/2031	840,000	5.000%	181,500.00	1,021,500.00
08/01/2032	885,000	5.000%	139,500.00	1,024,500.00
08/01/2033	930,000	5.000%	95,250.00	1,025,250.00
08/01/2034	975,000	5.000%	48,750.00	1,023,750.00
	14,280,000		9,255,268.88	23,535,268.88

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 1: Conventional SLGS Defeasance; 2007 Bonds Only; Level Unrefunded Debt Service

General Obligation Bonds, Series 2007 (2007)

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	310,000	4.000%	916,800	1,226,800
08/01/2013	325,000	4.000%	904,400	1,229,400
08/01/2014	335,000	4.000%	891,400	1,226,400
08/01/2015	350,000	4.000%	878,000	1,228,000
08/01/2016	365,000	5.000%	864,000	1,229,000
08/01/2017	380,000	5.000%	845,750	1,225,750
08/01/2018	400,000	5.000%	826,750	1,226,750
08/01/2019	425,000	5.000%	806,750	1,231,750
08/01/2020	445,000	5.000%	785,500	1,230,500
08/01/2021	470,000	5.000%	763,250	1,233,250
08/01/2022	490,000	5.000%	739,750	1,229,750
08/01/2023	510,000	5.000%	715,250	1,225,250
08/01/2024	540,000	5.000%	689,750	1,229,750
08/01/2025	565,000	5.000%	662,750	1,227,750
08/01/2026	595,000	5.000%	634,500	1,229,500
08/01/2027	625,000	5.000%	604,750	1,229,750
08/01/2028	655,000	5.000%	573,500	1,228,500
08/01/2029	685,000	5.000%	540,750	1,225,750
08/01/2030	725,000	5.000%	506,500	1,231,500
08/01/2031	760,000	5.000%	470,250	1,230,250
08/01/2032	795,000	5.000%	432,250	1,227,250
08/01/2033	835,000	5.000%	392,500	1,227,500
08/01/2034	880,000	5.000%	350,750	1,230,750
08/01/2035	1,945,000	5.000%	306,750	2,251,750
08/01/2036	2,045,000	5.000%	209,500	2,254,500
08/01/2037	2,145,000	5.000%	107,250	2,252,250
	18,600,000		16,419,350	35,019,350

APPENDIX C: Defeasance of 2004 bonds and a portion of 2007 Treasury Securities

SUMMARY OF BONDS REFUNDED

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 2: Conventional SLGS Defeasance; All 2004 Bonds and As Many 2007 Bonds As Possible; Level Unrefunded Debt Service

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation Bonds, Series 2004, 2004:					
SER_NC	08/01/2012	4.000%	380,000.00		
	08/01/2013	4.000%	395,000.00		
	08/01/2014	4.000%	415,000.00		
SER_CALL	08/01/2015	4.000%	430,000.00	08/01/2014	100.000
	08/01/2016	4.000%	445,000.00	08/01/2014	100.000
	08/01/2017	4.000%	465,000.00	08/01/2014	100.000
	08/01/2018	4.000%	485,000.00	08/01/2014	100.000
	08/01/2019	4.000%	500,000.00	08/01/2014	100.000
	08/01/2020	4.000%	520,000.00	08/01/2014	100.000
	08/01/2021	4.125%	540,000.00	08/01/2014	100.000
	08/01/2022	4.250%	565,000.00	08/01/2014	100.000
	08/01/2023	4.250%	590,000.00	08/01/2014	100.000
	08/01/2024	4.375%	615,000.00	08/01/2014	100.000
	08/01/2025	4.375%	640,000.00	08/01/2014	100.000
	08/01/2026	4.500%	670,000.00	08/01/2014	100.000
	08/01/2027	4.500%	700,000.00	08/01/2014	100.000
	08/01/2028	4.500%	730,000.00	08/01/2014	100.000
T1_34	08/01/2029	5.000%	765,000.00	08/01/2014	100.000
	08/01/2030	5.000%	800,000.00	08/01/2014	100.000
	08/01/2031	5.000%	840,000.00	08/01/2014	100.000
	08/01/2032	5.000%	885,000.00	08/01/2014	100.000
	08/01/2033	5.000%	930,000.00	08/01/2014	100.000
	08/01/2034	5.000%	975,000.00	08/01/2014	100.000
			14,280,000.00		
General Obligation Bonds, Series 2007, 2007:					
SER_NC	08/01/2012	4.000%	80,000.00		
	08/01/2013	4.000%	105,000.00		
	08/01/2014	4.000%	120,000.00		
	08/01/2015	4.000%	130,000.00		
	08/01/2016	5.000%	135,000.00		
	08/01/2017	5.000%	130,000.00		
SER_CALL	08/01/2018	5.000%	125,000.00	08/01/2017	100.000
	08/01/2019	5.000%	125,000.00	08/01/2017	100.000
	08/01/2020	5.000%	120,000.00	08/01/2017	100.000
	08/01/2021	5.000%	120,000.00	08/01/2017	100.000
	08/01/2022	5.000%	120,000.00	08/01/2017	100.000
	08/01/2023	5.000%	115,000.00	08/01/2017	100.000
	08/01/2024	5.000%	120,000.00	08/01/2017	100.000
	08/01/2025	5.000%	115,000.00	08/01/2017	100.000
	08/01/2026	5.000%	115,000.00	08/01/2017	100.000
	08/01/2027	5.000%	110,000.00	08/01/2017	100.000
T1_29	08/01/2028	5.000%	110,000.00	08/01/2017	100.000
	08/01/2029	5.000%	115,000.00	08/01/2017	100.000
T2_32	08/01/2030	5.000%	110,000.00	08/01/2017	100.000
	08/01/2031	5.000%	115,000.00	08/01/2017	100.000
	08/01/2032	5.000%	120,000.00	08/01/2017	100.000
T3_37	08/01/2033	5.000%	120,000.00	08/01/2017	100.000

SUMMARY OF BONDS REFUNDED

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 2: Conventional SLGS Defeasance; All 2004 Bonds and As Many 2007 Bonds As Possible; Level Unrefunded Debt Service

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation Bonds, Series 2007, 2007:					
T3_37	08/01/2034	5.000%	130,000.00	08/01/2017	100.000
	08/01/2035	5.000%	140,000.00	08/01/2017	100.000
	08/01/2036	5.000%	145,000.00	08/01/2017	100.000
	08/01/2037	5.000%	150,000.00	08/01/2017	100.000
			3,140,000.00		
			17,420,000.00		

ESCROW COST

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 2: Conventional SLGS Defeasance; All 2004 Bonds and As Many 2007 Bonds As Possible; Level Unrefunded Debt Service

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	02/01/2012	381,726		381,726.00
SLGS	08/01/2012	810,733	0.070%	810,733.00
SLGS	02/01/2013	341,912	0.120%	341,912.00
SLGS	08/01/2013	842,116	0.200%	842,116.00
SLGS	02/01/2014	332,959	0.290%	332,959.00
SLGS	08/01/2014	13,958,442	0.370%	13,958,442.00
SLGS	02/01/2015	51,405	0.490%	51,405.00
SLGS	08/01/2015	181,532	0.640%	181,532.00
SLGS	02/01/2016	49,512	0.800%	49,512.00
SLGS	08/01/2016	184,710	0.970%	184,710.00
SLGS	02/01/2017	47,231	1.130%	47,231.00
SLGS	08/01/2017	2,617,498	1.280%	2,617,498.00
		19,799,776		19,799,776.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
12/01/2011	19,799,776	0.91	19,799,776.91	0.611205%
	19,799,776	0.91	19,799,776.91	

ESCROW DESCRIPTIONS

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 2: Conventional SLGS Defeasance; All 2004 Bonds and As Many 2007 Bonds As Possible; Level Unrefunded Debt Service

	Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Dec 1, 2011:							
	SLGS	Certificate	02/01/2012	02/01/2012	381,726		
	SLGS	Certificate	08/01/2012	08/01/2012	810,733	0.070%	0.070%
	SLGS	Note	02/01/2013	02/01/2012	341,912	0.120%	0.120%
	SLGS	Note	08/01/2013	02/01/2012	842,116	0.200%	0.200%
	SLGS	Note	02/01/2014	02/01/2012	332,959	0.290%	0.290%
	SLGS	Note	08/01/2014	02/01/2012	13,958,442	0.370%	0.370%
	SLGS	Note	02/01/2015	02/01/2012	51,405	0.490%	0.490%
	SLGS	Note	08/01/2015	02/01/2012	181,532	0.640%	0.640%
	SLGS	Note	02/01/2016	02/01/2012	49,512	0.800%	0.800%
	SLGS	Note	08/01/2016	02/01/2012	184,710	0.970%	0.970%
	SLGS	Note	02/01/2017	02/01/2012	47,231	1.130%	1.130%
	SLGS	Note	08/01/2017	02/01/2012	2,617,498	1.280%	1.280%
					19,799,776		

SLGS Summary

SLGS Rates File	27OCT11
Total Certificates of Indebtedness	1,192,459.00
Total Notes	18,607,317.00
Total original SLGS	19,799,776.00

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 2: Conventional SLGS Defeasance; All 2004 Bonds and As Many 2007 Bonds As Possible; Level Unrefunded Debt Service

General Obligation Bonds, Series 2007 (2007)

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	645,000	4.000%	1,565,600	2,210,600
08/01/2013	670,000	4.000%	1,539,800	2,209,800
08/01/2014	700,000	4.000%	1,513,000	2,213,000
08/01/2015	725,000	4.000%	1,485,000	2,210,000
08/01/2016	755,000	5.000%	1,456,000	2,211,000
08/01/2017	795,000	5.000%	1,418,250	2,213,250
08/01/2018	835,000	5.000%	1,378,500	2,213,500
08/01/2019	875,000	5.000%	1,336,750	2,211,750
08/01/2020	920,000	5.000%	1,293,000	2,213,000
08/01/2021	965,000	5.000%	1,247,000	2,212,000
08/01/2022	1,015,000	5.000%	1,198,750	2,213,750
08/01/2023	1,065,000	5.000%	1,148,000	2,213,000
08/01/2024	1,115,000	5.000%	1,094,750	2,209,750
08/01/2025	1,175,000	5.000%	1,039,000	2,214,000
08/01/2026	1,230,000	5.000%	980,250	2,210,250
08/01/2027	1,295,000	5.000%	918,750	2,213,750
08/01/2028	1,360,000	5.000%	854,000	2,214,000
08/01/2029	1,425,000	5.000%	786,000	2,211,000
08/01/2030	1,500,000	5.000%	714,750	2,214,750
08/01/2031	1,570,000	5.000%	639,750	2,209,750
08/01/2032	1,650,000	5.000%	561,250	2,211,250
08/01/2033	1,735,000	5.000%	478,750	2,213,750
08/01/2034	1,820,000	5.000%	392,000	2,212,000
08/01/2035	1,910,000	5.000%	301,000	2,211,000
08/01/2036	2,005,000	5.000%	205,500	2,210,500
08/01/2037	2,105,000	5.000%	105,250	2,210,250
	31,860,000		25,650,650	57,510,650

APPENDIX D: Defeasance of 2007 bonds with Federal securities

SUMMARY OF BONDS REFUNDED

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 3: Economic Defeasance (OMS Escrow); 2007 Bonds Only; Level Unrefunded Debt Service

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation Bonds, Series 2007, 2007:					
SER_NC	08/01/2012	4.000%	420,000.00		
	08/01/2013	4.000%	455,000.00		
	08/01/2014	4.000%	495,000.00		
	08/01/2015	4.000%	515,000.00		
	08/01/2016	5.000%	530,000.00		
	08/01/2017	5.000%	550,000.00		
SER_CALL	08/01/2018	5.000%	570,000.00	08/01/2017	100.000
	08/01/2019	5.000%	585,000.00	08/01/2017	100.000
	08/01/2020	5.000%	605,000.00	08/01/2017	100.000
	08/01/2021	5.000%	630,000.00	08/01/2017	100.000
	08/01/2022	5.000%	655,000.00	08/01/2017	100.000
	08/01/2023	5.000%	680,000.00	08/01/2017	100.000
	08/01/2024	5.000%	710,000.00	08/01/2017	100.000
	08/01/2025	5.000%	735,000.00	08/01/2017	100.000
	08/01/2026	5.000%	765,000.00	08/01/2017	100.000
	08/01/2027	5.000%	795,000.00	08/01/2017	100.000
T1_29	08/01/2028	5.000%	830,000.00	08/01/2017	100.000
	08/01/2029	5.000%	870,000.00	08/01/2017	100.000
T2_32	08/01/2030	5.000%	905,000.00	08/01/2017	100.000
	08/01/2031	5.000%	940,000.00	08/01/2017	100.000
	08/01/2032	5.000%	995,000.00	08/01/2017	100.000
T3_37	08/01/2033	5.000%	1,040,000.00	08/01/2017	100.000
	08/01/2034	5.000%	1,095,000.00	08/01/2017	100.000
	08/01/2035	5.000%	125,000.00	08/01/2017	100.000
	08/01/2036	5.000%	130,000.00	08/01/2017	100.000
	08/01/2037	5.000%	135,000.00	08/01/2017	100.000
			16,760,000.00		

ESCROW COST

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 3: Economic Defeasance (OMS Escrow); 2007 Bonds Only; Level Unrefunded Debt Service

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Cost	Accrued Interest	Total Cost
RSTRIP-I	01/15/2012	329,000		0.126%	99.985000	328,950.65		328,950.65
Agency	07/15/2012	730,000	5.125%	0.469%	102.888908	751,089.03	14,133.61	765,222.64
RSTRIP-I	01/15/2013	321,000		0.473%	99.471000	319,301.91		319,301.91
Agency	05/01/2013	775,000	4.625%	0.632%	105.622156	818,571.71	2,986.98	821,558.69
Agency	01/02/2014	1,185,000	5.125%	1.043%	108.400931	1,284,551.03	25,135.99	1,309,687.02
RSTRIP-I	01/15/2015	350,000		0.942%	97.108000	339,878.00		339,878.00
RSTRIP-I	07/15/2015	867,000		1.077%	96.184000	833,915.28		833,915.28
Agency	01/19/2016	340,000	4.750%	1.232%	114.133218	388,052.94	5,921.67	393,974.61
Agency	07/18/2016	875,000	5.500%	1.404%	118.299403	1,035,119.78	17,779.51	1,052,899.29
RSTRIP-I	01/15/2017	359,000		1.617%	92.082000	330,574.38		330,574.38
RSTRIP-I	07/15/2017	14,703,000		1.791%	90.461000	13,300,480.83		13,300,480.83
		20,834,000				19,730,485.54	65,957.76	19,796,443.30

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
12/01/2011	19,796,443.30	693.71	19,797,137.01	1.679023%
	19,796,443.30	693.71	19,797,137.01	

ESCROW DESCRIPTIONS

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 3: Economic Defeasance (OMS Escrow); 2007 Bonds Only; Level Unrefunded Debt Service

Type of Security	CUSIP or ID	Maturity Date	First Int Pmt Date	Par Amount	Rate	Yield	Price	Dated Date	Interest Class	Interest Frequency	Interest Day Basis
Dec 1, 2011:											
RSTRIP-I	76116EFD7	01/15/2012		329,000		0.126%	99.985000		Zero Coupon	Semiannual	ACT/ACT
Agency	3134A4QD9	07/15/2012		730,000	5.125%	0.469%	102.888908	07/16/2002	Periodic	Semiannual	30/360
RSTRIP-I	76116EFF2	01/15/2013		321,000		0.473%	99.471000		Zero Coupon	Semiannual	ACT/ACT
Agency	31359MRK1	05/01/2013	11/01/2003	775,000	4.625%	0.632%	105.622156	04/21/2003	Periodic	Semiannual	30/360
Agency	31359MTP8	01/02/2014		1,185,000	5.125%	1.043%	108.400931	11/06/2003	Periodic	Semiannual	30/360
RSTRIP-I	76116EFK1	01/15/2015		350,000		0.942%	97.108000		Zero Coupon	Semiannual	ACT/ACT
RSTRIP-I	76116EFL9	07/15/2015		867,000		1.077%	96.184000		Zero Coupon	Semiannual	ACT/ACT
Agency	3134A4ZT4	01/19/2016	07/19/2006	340,000	4.750%	1.232%	114.133218	01/13/2006	Periodic	Semiannual	30/360
Agency	3137EAAG4	07/18/2016	01/18/2007	875,000	5.500%	1.404%	118.299403	07/13/2006	Periodic	Semiannual	30/360
RSTRIP-I	76116EFP0	01/15/2017		359,000		1.617%	92.082000		Zero Coupon	Semiannual	ACT/ACT
RSTRIP-I	76116EFQ8	07/15/2017		14,703,000		1.791%	90.461000		Zero Coupon	Semiannual	ACT/ACT
				20,834,000							

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UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 3: Economic Defeasance (OMS Escrow); 2007 Bonds Only; Level Unrefunded Debt Service

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	685,000	4.000%	1,541,018.76	2,226,018.76
08/01/2013	715,000	4.000%	1,513,618.76	2,228,618.76
08/01/2014	740,000	4.000%	1,485,018.76	2,225,018.76
08/01/2015	770,000	4.000%	1,455,418.76	2,225,418.76
08/01/2016	805,000	** %	1,424,618.76	2,229,618.76
08/01/2017	840,000	** %	1,388,818.76	2,228,818.76
08/01/2018	875,000	** %	1,351,468.76	2,226,468.76
08/01/2019	915,000	** %	1,312,568.76	2,227,568.76
08/01/2020	955,000	** %	1,271,818.76	2,226,818.76
08/01/2021	995,000	** %	1,229,268.76	2,224,268.76
08/01/2022	1,045,000	** %	1,184,243.76	2,229,243.76
08/01/2023	1,090,000	** %	1,136,231.26	2,226,231.26
08/01/2024	1,140,000	** %	1,086,156.26	2,226,156.26
08/01/2025	1,195,000	** %	1,033,000.00	2,228,000.00
08/01/2026	1,250,000	** %	977,250.00	2,227,250.00
08/01/2027	1,310,000	** %	918,100.00	2,228,100.00
08/01/2028	1,370,000	** %	856,100.00	2,226,100.00
08/01/2029	1,435,000	5.000%	791,250.00	2,226,250.00
08/01/2030	1,505,000	5.000%	719,500.00	2,224,500.00
08/01/2031	1,585,000	5.000%	644,250.00	2,229,250.00
08/01/2032	1,660,000	5.000%	565,000.00	2,225,000.00
08/01/2033	1,745,000	5.000%	482,000.00	2,227,000.00
08/01/2034	1,830,000	5.000%	394,750.00	2,224,750.00
08/01/2035	1,925,000	5.000%	303,250.00	2,228,250.00
08/01/2036	2,020,000	5.000%	207,000.00	2,227,000.00
08/01/2037	2,120,000	5.000%	106,000.00	2,226,000.00
	32,520,000		25,377,718.88	57,897,718.88

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 3: Economic Defeasance (OMS Escrow); 2007 Bonds Only; Level Unrefunded Debt Service
General Obligation Bonds, Series 2004 (2004)

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	380,000	4.000%	641,918.76	1,021,918.76
08/01/2013	395,000	4.000%	626,718.76	1,021,718.76
08/01/2014	415,000	4.000%	610,918.76	1,025,918.76
08/01/2015	430,000	4.000%	594,318.76	1,024,318.76
08/01/2016	445,000	4.000%	577,118.76	1,022,118.76
08/01/2017	465,000	4.000%	559,318.76	1,024,318.76
08/01/2018	485,000	4.000%	540,718.76	1,025,718.76
08/01/2019	500,000	4.000%	521,318.76	1,021,318.76
08/01/2020	520,000	4.000%	501,318.76	1,021,318.76
08/01/2021	540,000	4.125%	480,518.76	1,020,518.76
08/01/2022	565,000	4.250%	458,243.76	1,023,243.76
08/01/2023	590,000	4.250%	434,231.26	1,024,231.26
08/01/2024	615,000	4.375%	409,156.26	1,024,156.26
08/01/2025	640,000	4.375%	382,250.00	1,022,250.00
08/01/2026	670,000	4.500%	354,250.00	1,024,250.00
08/01/2027	700,000	4.500%	324,100.00	1,024,100.00
08/01/2028	730,000	4.500%	292,600.00	1,022,600.00
08/01/2029	765,000	5.000%	259,750.00	1,024,750.00
08/01/2030	800,000	5.000%	221,500.00	1,021,500.00
08/01/2031	840,000	5.000%	181,500.00	1,021,500.00
08/01/2032	885,000	5.000%	139,500.00	1,024,500.00
08/01/2033	930,000	5.000%	95,250.00	1,025,250.00
08/01/2034	975,000	5.000%	48,750.00	1,023,750.00
	14,280,000		9,255,268.88	23,535,268.88

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 3: Economic Defeasance (OMS Escrow); 2007 Bonds Only; Level Unrefunded Debt Service
General Obligation Bonds, Series 2007 (2007)

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	305,000	4.000%	899,100	1,204,100
08/01/2013	320,000	4.000%	886,900	1,206,900
08/01/2014	325,000	4.000%	874,100	1,199,100
08/01/2015	340,000	4.000%	861,100	1,201,100
08/01/2016	360,000	5.000%	847,500	1,207,500
08/01/2017	375,000	5.000%	829,500	1,204,500
08/01/2018	390,000	5.000%	810,750	1,200,750
08/01/2019	415,000	5.000%	791,250	1,206,250
08/01/2020	435,000	5.000%	770,500	1,205,500
08/01/2021	455,000	5.000%	748,750	1,203,750
08/01/2022	480,000	5.000%	726,000	1,206,000
08/01/2023	500,000	5.000%	702,000	1,202,000
08/01/2024	525,000	5.000%	677,000	1,202,000
08/01/2025	555,000	5.000%	650,750	1,205,750
08/01/2026	580,000	5.000%	623,000	1,203,000
08/01/2027	610,000	5.000%	594,000	1,204,000
08/01/2028	640,000	5.000%	563,500	1,203,500
08/01/2029	670,000	5.000%	531,500	1,201,500
08/01/2030	705,000	5.000%	498,000	1,203,000
08/01/2031	745,000	5.000%	462,750	1,207,750
08/01/2032	775,000	5.000%	425,500	1,200,500
08/01/2033	815,000	5.000%	386,750	1,201,750
08/01/2034	855,000	5.000%	346,000	1,201,000
08/01/2035	1,925,000	5.000%	303,250	2,228,250
08/01/2036	2,020,000	5.000%	207,000	2,227,000
08/01/2037	2,120,000	5.000%	106,000	2,226,000
	18,240,000		16,122,450	34,362,450

APPENDIX E: **Open market purchase of 2007 bonds at par**

SUMMARY OF BONDS REFUNDED

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 4: Open Market Purchase at Par (100%); 2007 Bonds Only; Level Unrefunded Debt Service

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation Bonds, Series 2007, 2007:					
SER_NC	08/01/2012	4.000%	475,000.00	12/01/2011	100.000
	08/01/2013	4.000%	515,000.00	12/01/2011	100.000
	08/01/2014	4.000%	555,000.00	12/01/2011	100.000
	08/01/2015	4.000%	575,000.00	12/01/2011	100.000
	08/01/2016	5.000%	600,000.00	12/01/2011	100.000
	08/01/2017	5.000%	620,000.00	12/01/2011	100.000
SER_CALL	08/01/2018	5.000%	640,000.00	12/01/2011	100.000
	08/01/2019	5.000%	660,000.00	12/01/2011	100.000
	08/01/2020	5.000%	685,000.00	12/01/2011	100.000
	08/01/2021	5.000%	710,000.00	12/01/2011	100.000
	08/01/2022	5.000%	745,000.00	12/01/2011	100.000
	08/01/2023	5.000%	770,000.00	12/01/2011	100.000
	08/01/2024	5.000%	805,000.00	12/01/2011	100.000
	08/01/2025	5.000%	835,000.00	12/01/2011	100.000
	08/01/2026	5.000%	870,000.00	12/01/2011	100.000
	08/01/2027	5.000%	905,000.00	12/01/2011	100.000
T1_29	08/01/2028	5.000%	945,000.00	12/01/2011	100.000
	08/01/2029	5.000%	990,000.00	12/01/2011	100.000
T2_32	08/01/2030	5.000%	1,030,000.00	12/01/2011	100.000
	08/01/2031	5.000%	1,075,000.00	12/01/2011	100.000
	08/01/2032	5.000%	1,135,000.00	12/01/2011	100.000
T3_37	08/01/2033	5.000%	1,185,000.00	12/01/2011	100.000
	08/01/2034	5.000%	1,250,000.00	12/01/2011	100.000
	08/01/2035	5.000%	290,000.00	12/01/2011	100.000
	08/01/2036	5.000%	300,000.00	12/01/2011	100.000
	08/01/2037	5.000%	315,000.00	12/01/2011	100.000
			19,480,000.00		

ESCROW COST

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 4: Open Market Purchase at Par (100%); 2007 Bonds Only; Level Unrefunded Debt Service

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
12/01/2011		19,797,600.00	19,797,600.00
	0	19,797,600.00	19,797,600.00

ESCROW REQUIREMENTS

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 4: Open Market Purchase at Par (100%); 2007 Bonds Only; Level Unrefunded Debt Service

Period Ending	Interest	Principal Redeemed	Total
12/01/2011	317,600.00	19,480,000.00	19,797,600.00
	317,600.00	19,480,000.00	19,797,600.00

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 4: Open Market Purchase at Par (100%); 2007 Bonds Only; Level Unrefunded Debt Service

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	630,000	4.000%	1,407,368.76	2,037,368.76
08/01/2013	655,000	4.000%	1,382,168.76	2,037,168.76
08/01/2014	680,000	4.000%	1,355,968.76	2,035,968.76
08/01/2015	710,000	4.000%	1,328,768.76	2,038,768.76
08/01/2016	735,000	** %	1,300,368.76	2,035,368.76
08/01/2017	770,000	** %	1,268,068.76	2,038,068.76
08/01/2018	805,000	** %	1,234,218.76	2,039,218.76
08/01/2019	840,000	** %	1,198,818.76	2,038,818.76
08/01/2020	875,000	** %	1,161,818.76	2,036,818.76
08/01/2021	915,000	** %	1,123,268.76	2,038,268.76
08/01/2022	955,000	** %	1,082,243.76	2,037,243.76
08/01/2023	1,000,000	** %	1,038,731.26	2,038,731.26
08/01/2024	1,045,000	** %	993,156.26	2,038,156.26
08/01/2025	1,095,000	** %	944,750.00	2,039,750.00
08/01/2026	1,145,000	** %	894,000.00	2,039,000.00
08/01/2027	1,200,000	** %	840,100.00	2,040,100.00
08/01/2028	1,255,000	** %	783,600.00	2,038,600.00
08/01/2029	1,315,000	5.000%	724,500.00	2,039,500.00
08/01/2030	1,380,000	5.000%	658,750.00	2,038,750.00
08/01/2031	1,450,000	5.000%	589,750.00	2,039,750.00
08/01/2032	1,520,000	5.000%	517,250.00	2,037,250.00
08/01/2033	1,600,000	5.000%	441,250.00	2,041,250.00
08/01/2034	1,675,000	5.000%	361,250.00	2,036,250.00
08/01/2035	1,760,000	5.000%	277,500.00	2,037,500.00
08/01/2036	1,850,000	5.000%	189,500.00	2,039,500.00
08/01/2037	1,940,000	5.000%	97,000.00	2,037,000.00
	29,800,000		23,194,168.88	52,994,168.88

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 4: Open Market Purchase at Par (100%); 2007 Bonds Only; Level Unrefunded Debt Service
General Obligation Bonds, Series 2004 (2004)

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	380,000	4.000%	641,918.76	1,021,918.76
08/01/2013	395,000	4.000%	626,718.76	1,021,718.76
08/01/2014	415,000	4.000%	610,918.76	1,025,918.76
08/01/2015	430,000	4.000%	594,318.76	1,024,318.76
08/01/2016	445,000	4.000%	577,118.76	1,022,118.76
08/01/2017	465,000	4.000%	559,318.76	1,024,318.76
08/01/2018	485,000	4.000%	540,718.76	1,025,718.76
08/01/2019	500,000	4.000%	521,318.76	1,021,318.76
08/01/2020	520,000	4.000%	501,318.76	1,021,318.76
08/01/2021	540,000	4.125%	480,518.76	1,020,518.76
08/01/2022	565,000	4.250%	458,243.76	1,023,243.76
08/01/2023	590,000	4.250%	434,231.26	1,024,231.26
08/01/2024	615,000	4.375%	409,156.26	1,024,156.26
08/01/2025	640,000	4.375%	382,250.00	1,022,250.00
08/01/2026	670,000	4.500%	354,250.00	1,024,250.00
08/01/2027	700,000	4.500%	324,100.00	1,024,100.00
08/01/2028	730,000	4.500%	292,600.00	1,022,600.00
08/01/2029	765,000	5.000%	259,750.00	1,024,750.00
08/01/2030	800,000	5.000%	221,500.00	1,021,500.00
08/01/2031	840,000	5.000%	181,500.00	1,021,500.00
08/01/2032	885,000	5.000%	139,500.00	1,024,500.00
08/01/2033	930,000	5.000%	95,250.00	1,025,250.00
08/01/2034	975,000	5.000%	48,750.00	1,023,750.00
	14,280,000		9,255,268.88	23,535,268.88

UNREFUNDED BOND DEBT SERVICE

CITY OF BELL
Defeasance of General Obligation Bonds
Scenario 4: Open Market Purchase at Par (100%); 2007 Bonds Only; Level Unrefunded Debt Service
General Obligation Bonds, Series 2007 (2007)

Period Ending	Principal	Coupon	Interest	Debt Service
08/01/2012	250,000	4.000%	765,450	1,015,450
08/01/2013	260,000	4.000%	755,450	1,015,450
08/01/2014	265,000	4.000%	745,050	1,010,050
08/01/2015	280,000	4.000%	734,450	1,014,450
08/01/2016	290,000	5.000%	723,250	1,013,250
08/01/2017	305,000	5.000%	708,750	1,013,750
08/01/2018	320,000	5.000%	693,500	1,013,500
08/01/2019	340,000	5.000%	677,500	1,017,500
08/01/2020	355,000	5.000%	660,500	1,015,500
08/01/2021	375,000	5.000%	642,750	1,017,750
08/01/2022	390,000	5.000%	624,000	1,014,000
08/01/2023	410,000	5.000%	604,500	1,014,500
08/01/2024	430,000	5.000%	584,000	1,014,000
08/01/2025	455,000	5.000%	562,500	1,017,500
08/01/2026	475,000	5.000%	539,750	1,014,750
08/01/2027	500,000	5.000%	516,000	1,016,000
08/01/2028	525,000	5.000%	491,000	1,016,000
08/01/2029	550,000	5.000%	464,750	1,014,750
08/01/2030	580,000	5.000%	437,250	1,017,250
08/01/2031	610,000	5.000%	408,250	1,018,250
08/01/2032	635,000	5.000%	377,750	1,012,750
08/01/2033	670,000	5.000%	346,000	1,016,000
08/01/2034	700,000	5.000%	312,500	1,012,500
08/01/2035	1,760,000	5.000%	277,500	2,037,500
08/01/2036	1,850,000	5.000%	189,500	2,039,500
08/01/2037	1,940,000	5.000%	97,000	2,037,000
	15,520,000		13,938,900	29,458,900

RESOLUTION NO. 2011-55

RESOLUTION OF THE COUNCIL OF THE CITY OF BELL APPROVING THE GENERAL OBLIGATION BOND WORK-OUT PLAN AND RELATED IMPLEMENTATION ACTIONS

WHEREAS, unless corrective is taken, the City will be required to increase the ad valorem 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 (70%); and

WHEREAS, a "G.O. Bond Work-Out Plan" has been prepared and was considered by the Council on December 14, 2011, which if implemented would significantly mitigate the need for this tax levy increase by using the existing balance remaining from the bond proceeds to reduce annual debt service requirements beginning next fiscal year and annually thereafter until all bonds are repaid.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Bell as follows:

SECTION 1. City staff is instructed to implement the G.O. Bond Work-Out Plan as described in the Council Agenda Report.

SECTION 2. The budget for the work-out plan is adopted in the amount of $115,000 as set forth below. Subject to concurrence by Bond Counsel, these costs will be funded from the remaining bond proceeds. If some or all of the costs cannot be paid from proceeds, they will be paid from the General Fund or another legally available source.

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

SECTION 3. The City Administrative Officer is authorized to take the following actions if within the work-out plan budget:

a. Begin implementing the work-out plan through the combination of "tender offer" and "defeasance" that will result in the lowest amount of level debt service.

b. Contract with Bond Counsel via a request for proposal process, subject to approval of the Agreement by the City Attorney, to provide advice relative to federal tax law, draft bond tender (repurchase) documents, provide advice relative to continuing disclosure requirements and other matters as may be requested by the City in connection with its bonds.

c. Contract with the Bond Communications Group following consultation with Bond Counsel, subject to approval of the Agreement by the City Attorney, to serve as tender agent to facilitate the potential repurchase of the City's outstanding general obligation bonds as appropriate.

d. Contract with a firm, subject to approval of the Agreement by the City Attorney, to provide arbitrage calculations and, if appropriate, investment of a defeasance escrow.

e. Amend the contract with KNN Public Finance for continued advice, subject to approval of the amendment by the City Attorney, regarding the repurchase of outstanding general obligation bonds and, if necessary, the defeasance of such bonds, in order to facilitate the most efficient reduction of the City's general obligation bond indebtedness.

f. Retain Bill Statler for project management in coordinating implementation of the work-out process.

Upon motion of _____, seconded by _____, and on the following vote:

AYES:
NOES:
ABSENT:

the foregoing resolution was adopted on December 14, 2011.

_____
Ali Saleh, Mayor

ATTEST:

_____
Rebecca Valdez, City Clerk

APPROVED AT TO FORM

_____
David Aleshire, City Attorney

City of Bell
Agenda Report

DATE: December 14, 2011

TO: Mayor and Members of the City Council

FROM: Arne Croce, Interim Chief Administrative Officer

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Compensation and Classification Study Parameters

RECOMMENDATION

The City Council approve the cities and job classifications to be used in the classification and compensation study.

BACKGROUND

At the October 26, 2011 Council meeting the City Council approved an agreement with CPS HR to conduct a classification and compensation study. The purposes of this study are to: determine the jobs currently performed by City employees; develop classifications and job descriptions for each employee; and conduct a compensation survey for similar jobs in cities comparable to Bell. The results of the study will provide information to the Council for conducting negotiations with BPOA (Bell Police Officers' Association) and establishing compensation for non-represented employees.

CPS HR has administered the PDQ (Position Description Questionnaire) to full time, non-sworn personnel. They have identified classifications for the work performed by the employees and developed a recommended group of cities to survey for compensation information.

The attached memorandum from CPS HR discusses work to date and recommends the cities and classifications to be used in the compensation survey. CPS HR will be present at the Council meeting to review and seek approval from the Council of the cities to be used to survey compensation. After the approval of the cities to be surveyed, the next steps are to conduct the survey and analyze the results.

Priority will be given to completing the survey of Police Officer compensation to be used in negotiating a Memorandum of Understanding with the Bell Police Officer's Association. CPS HR estimates the survey of Police Officer compensation will be completed by January 6, 2012.

CPS HR CONSULTING

DATE: December 7, 2011

TO: Mayor and Members of the Council
Arne Croce, Interim Chief Administrative Officer
City of Bell

FROM: Dave Morgan, Project Manager
Debbie Owen, Technical Director, Classification and Compensation
CPS HR Consulting Services

RE: Compensation Study Parameters – City of Bell

It was a pleasure to meet with members of the City Council, the City's employees and City residents on November 1, 2011 to provide an overview of the classification and compensation study, and we look forward to working on the compensation study with all of you. This memorandum is to confirm the scope of the compensation study, including recommendations on the labor market agencies to be utilized, the City's benchmark classifications to be surveyed, and the scope of data collection.

Labor Market Agency Selection Criteria

The determination of an appropriate labor market involves the application of the selection criteria outlined below.

- Agency size – Agencies with similar numbers of employees may also share common economic and demographic factors – given that agencies are organized differently, and may not be the same size, the typical study goal is to select a range of larger and smaller agencies. For the City of Bell, CPS HR reviewed smaller agencies which were subsequently removed from consideration based on services/per capita spending, and we ultimately identified potential market agencies with a population of up to twice the population base of the City of Bell. This was done to ensure there was sufficient market data for the full range of services provided by the City [see note on industry criteria on page 2]. As a result, all agencies included in our recommendations are larger than the City of Bell. To mitigate the impact of larger agencies which may also be expending more dollars on services, we introduced another qualifying filter to ensure these larger agencies had fiscal demographics similar to the City of Bell. This filter, placed in the column entitled "Per Capita Expenditure" identifies the per capita expenditures for the recommended cities; the range of expenditures was set at +/- 25% of the per capita expenditure for the City of Bell. When reviewing this data, you will note that, of the eleven labor market agencies [excluding the Los Angeles Sheriff's Department], seven agencies spend less than the City and four agencies spend more than the City on a per capita basis. For consistency purposes, all population and per capita data was obtained from a report prepared for the time of July 1, 2008 – June 30, 2009.

- Geographic proximity – The location of potential agencies is important since they may be competitors in the recruitment market for most of the City's employees. Given the specialized nature of the services provided by the City, the recommended labor market includes agencies within Los Angeles [nine agencies plus one supplemental for police officer data] and Orange [two agencies] counties to ensure sufficient data for the range of services provided by the City. Proximity to the City of Bell ranged from 3 miles to 28 miles, which is considered a reasonable commuting distance, and which is consistent with the current commuting range/pattern for current employees.
- Industry – Agencies that provide the same types of services as the City are likely to have similar types of job classifications and may also be recruiting from the same applicant pool. Given that the City has its own Police Department, the search for comparable agencies meant that they should be large enough to support their own police department, yet remain within the tolerances for per capita spending.
- In addition to the selection criteria outlined above, CPS HR also conducted an analysis of all potential agencies to identify any significant cost of wage differences that may impact data – no significant differences were identified.

Based upon the selection criteria outlined above, CPS HR recommends the use of the agencies in Table 1 for the City's total compensation study:

TABLE 1
CITY OF BELL
TOTAL COMPENSATION STUDY
RECOMMENDED LABOR MARKET AGENCIES

Agency	Distance Miles	Population [1]	No. of Employees	Per Capita Expenditure [1]	Police Services
City of Bell	***N/A***	***38,759***	***62 FTE/ 86 PTE***	***$834.51***	***City***
Los Angeles County Agencies					
City of Bell Gardens	3	46,786	144 FTE/ 90 PTE	$805.32	City
City of Covina	24	49,541	198 FTE/ 78 PTE	$926.74	City
City of Huntington Park	3	64,617	182 FTE/ 33 PTE	$843.24	City
City of La Mirada	13	49,939	72 FTE/ 255 PTE	$712.07	LA County Sheriff

TABLE 1 CITY OF BELL TOTAL COMPENSATION STUDY RECOMMENDED LABOR MARKET AGENCIES					
Agency	**Distance Miles**	**Population** [1]	**No. of Employees**	**Per Capita Expenditure** [1]	**Police Services**
City of Lynwood	5	73,174	308 FTE/ 90 PTE	$686.85	LA County Sheriff
City of Monterey Park	9	64,874	300 FTE/ 46 PTE	$989.70	City
City of Paramount	10	57,874	122 FTE/ 200 PTE	$750.56	LA County Sheriff
City of Pico Rivera	7	66,899	159 FTE/ 96 PTE	$928.06	LA County Sheriff
City of San Gabriel	12	42,829	198 FTE/ 75 PTE	$827.70	City
Orange County Agencies					
City of Cypress	20	49,647	147 FTE/ 11 PTE	$698.05	City
City of Placentia	28	51,932	111 FTE/ 110 PTE	$803.20	City
Supplemental Public Safety Agency					
County of Los Angeles Sheriff	N/A – Supplemental agency for Police Officer only				

[1] Data obtained from the California State Controller's Office [SCO] publication *Cities Annual Report* dated February 3, 2011 for period July 1, 2008 – June 30, 2009

Supplemental Public Safety Agency

Given the impact on local public safety salaries, and the services provided to communities within the County, including four of the proposed labor market agencies, CPS HR has recommended that the Los Angeles County Sheriff's Department be included as supplemental agency for the Police Officer classification only. CPS HR will provide data which includes and excludes the Sheriff Department's data so the City may see the impact of its inclusion or exclusion within the labor market.

Private Sector Data

Many public agencies are interested in reviewing private sector salary data to measure similarity/differences for their own pay plan. It is, of course, very difficult to obtain survey data through an independent survey process because, unlike public sector employers, private sector companies are under no obligation to provide the requested information. In addition, since public and private sector pay administration practices differ significantly, the data may not be easily extrapolated into a public pay model.

To identify private sector pay practices, we recommend use of a survey database such as the one compiled by the Economic Research Institute that provides pay levels for a significant number of classes within private sector organizations. This is an extensive database that also covers several of the City's classifications. Data is reported in a manner more consistent with public sector pay plan structures and may be further refined to include the specific geographic locations within the City's labor market.

Survey Data Analysis

In order to report data results, CPS HR will conduct a statistical analysis of the data received from the labor market agencies. CPS HR will provide the City with our assessment and interpretation of the study results including a global analysis of base versus total compensation salaries so the City can see how base pay for all survey classifications is impacted once the cost of benefits programs is taken into consideration. This data will be instrumental in facilitating Council discussion and decisions with respect to the City's labor market position. The sample total compensation data sheet in Attachment A displays the different analyses conducted for each survey classification within a total compensation study.

Survey Classifications

In order to ensure that adequate benchmark data is collected from the labor market agencies, Table 2 presents the survey classifications recommended by CPS HR, based upon our analysis and expectation that many of these will be benchmark classes.

When selecting survey classes, it is important to identify potential benchmark classes. Benchmark classifications are a representative sample of all classes in an employer's salary plan and provide a reference point for subsequent salary determinations for other classifications. Benchmark classifications should generally be selected utilizing the following criteria:

- They should be classes for which counterparts can readily be found in surveyed employers so that sufficient compensation data can be gathered
- Benchmark classifications should have significant relationships to other classes in their occupational group. This ensures that they will make good reference points in relating and establishing salaries for other classes within their occupational groups.

- They should also be reasonably well known and able to be clearly and concisely described, which enables the employer to more easily communicate with survey employers in establishing accurate comparables for the benchmark classes.

Where there are multiple levels for a class, CPS HR will ensure that the journey level of the class is surveyed, since the data will be utilized to set salaries for entry or advanced journey level classes within the same job family. Table 2 below presents thirty-three [33] recommended survey classes. CPS HR is not recommending that these classifications be surveyed on a regular basis, and are not suggesting they are all benchmark classifications, but because the City has not previously conducted a compensation study, we consider it reasonable to survey them to establish definitive benchmarks within the labor market agencies for this initial study.

TABLE 2 CITY OF BELL TOTAL COMPENSATION STUDY RECOMMENDED SURVEY CLASSIFICATIONS
Management
Accounting Manager [vacant]
City Administrative Officer
City Clerk
Community Development Director
Community Services Director
Finance Director
Management Analyst
Mobile Home Parks Manager
Police Chief
Public Safety
Police Officer
Miscellaneous
Account Clerk
Account Technician
Associate Planner
Building Inspector
Public Services/Permit Technician
Code Enforcement Officer
Facilities Maintenance Technician
Facilities Maintenance Manager
Housing Rehabilitation Technician
Housing Specialist [vacant]
Jail Supervisor
Office Assistant
Parking Control Officer
Police Dispatcher
Police Records Clerk
Property Clerk
Recreation Supervisor

TABLE 2 CITY OF BELL TOTAL COMPENSATION STUDY RECOMMENDED SURVEY CLASSIFICATIONS
Part-Time Office Aide Office Clerk Police Cadet Police Reservist Recreation Assistant Recreation Leader

Scope of Data Collection

The data to be collected from each agency includes:

- Minimum and maximum monthly salaries for each comparable classification
- Cash add-ons - agency contributions to deferred compensation, longevity pay, retirement pickup and education incentives
- Details of employer health programs including:
  - Employer contribution to most commonly used medical, dental and vision plans
  - Employee contribution to most commonly used medical, dental and vision plans
  - Life insurance benefit and cost
  - Disability program benefit and cost
- Employer retirement practices, including
  - Type of program offered
  - Benefit offered [e.g. 2%@60 etc.]
  - Benefit formula [e.g. average of three years, single highest year]
  - Agency contribution to the retirement plan
  - Social security contributions
- Vacation, sick and administrative leave practices
- For the Police Officer classification, the following data will be collected from the agencies [excluding the Los Angeles Sheriff's Department]; the data will be presented in table format, and will not be included in the total compensation analysis.
  - Shift differentials
  - Assignment pay differentials

Summary

The information presented within the memorandum provides CPS HR's recommendations on the labor market agencies, survey classifications and scope of data collection. Should you require any further clarification on the content of this memorandum, we will be pleased to respond to those questions during the meeting scheduled on December 14, 2011. Once concurrence is reached by City Council on the labor market agencies to be used in the survey, CPS HR can then initiate the data collection process

CPS HR CONSULTING

Attachment A

Human Resources Analyst

Surveyed Agency	Classification Title	Monthly Min.	Monthly Max.	Longevity Pay	Deferred Comp	Retirement Pickup	Total Base Plus Cash	Health	Dental	Vision	Life	Disability	Total Base/ Cash/Health	Retirement	Social Security	Monthly Total Compensation
Client Name	*Human Resources Analyst*	*$3,814*	*$4,767*		*$125*	*$334*	*$5,226*	*$1,130*	*$125*	*$25*	*$20*	*$21*	*$6,547*	*$482*	*$69*	*$7,098*
Agency A	Human Resources Analyst	$3,737	$4,562		$42	$228	$4,832	$1,400					$6,232	$707	$66	$7,005
Agency B	Human Resources Analyst II	$4,264	$5,756		$100	$403	$6,259	$800	$25		$11		$7,095	$602	$83	$7,780
Agency C	Human Resources Analyst	$3,947	$5,493		$110	$385	$5,987	$917		$32			$6,936	$554	$80	$7,570
Agency D	Human Resources Analyst	$4,373	$5,313		$200	$425	$5,938	$820	$78		$18		$6,854	$1,049	$77	$7,980
Agency E	Senior Human Resources Analyst	$3,994	$5,113	$128	$50	$256	$5,546	$924					$6,470	$386	$74	$6,931
Agency F	No Comparable Class															
Agency G	Human Resources Analyst	$4,735	$6,211			$435	$6,646	$1,109	$145	$29	$22	$17	$7,968	$678	$475	$9,121
Agency H	Human Resources Analyst	$4,309	$5,499		$42	$440	$5,981	$904	$149	$22	$19	$16	$7,090	$470	$421	$7,982
Agency I	Personnel Analyst II	$4,470	$5,446			$381	$5,827	$1,315			$20	$28	$7,191	$509	$417	$8,116
Agency J	Human Resources Analyst [Journey Level]	$3,854	$5,482		$55	$384	$5,921	$1,567	$120	$32	$66	$15	$7,720	$578	$79	$8,377
Agency K	Human Resources Analyst	$4,400	$5,466	$55		$383	$5,903	$976	$145		$5	$12	$7,041	$330	$79	$7,450
Agency L	Management Analyst III	$3,791	$4,987		$224	$349	$5,561	$889	$161	$22	$20	$4	$6,656	$582	$72	$7,310
Agency M	Human Resources Analyst	$5,403	$6,753			$236	$6,989	$1,458	$121	$29	$14	$45	$8,656	$1,000	$98	$9,754
Agency N	Human Resources Analyst	$3,782	$5,297			$159	$5,456	$963	$136	$35	$27	$16	$6,632	$405	$77	$7,114
Agency O	Human Resources Analyst II	$4,179	$5,484			$384	$5,868	$1,187	$145		$68	$26	$7,294	$997	$420	$8,710
Agency P	Senior Human Resources Analyst	$4,677	$6,173			$494	$6,667	$1,482	$167	$19	$34	$27	$8,396	$150	$90	$8,635
Agency Q	Human Resources Analyst	$4,588	$6,170		$79	$432	$6,681	$921	$187	$35	$9	$23	$7,855	$838	$472	$9,165

Base Salary Median	$5,483	Total Cash Median	$5,929	
Base Salary Mean	$5,575	Total Cash Mean	$6,004	
Percentage Above or Below Median	-15.02%	Percentage Above or Below Median	-13.46%	
Percentage Above or Below Mean	-16.96%	Percentage Above or Below Mean	-14.89%	

Total Base/Cash/Health Median	$7,093	Total Comp Median	$7,981
Total Base/Cash/Health Mean	$7,255	Total Comp Mean	$8,063
Percentage Above or Below Median	-8.34%	Percentage Above or Below Median	-12.43%
Percentage Above or Below Mean	-10.83%	Percentage Above or Below Mean	-13.59%

12/9/2011

City of Bell
Agenda Report

DATE: December 14, 2011

TO: Mayor and Members of the City Council

FROM: Arne Croce, Interim Chief Administrative Officer

APPROVED BY: Arne Croce, Interim Chief Administrative Officer

SUBJECT: Attendance at League of California Cities New Mayors and Councilmembers Academy

RECOMMENDATION

The City Council confirms attendance at the League of California Cities New Mayors and Councilmembers Academy in Sacramento on January 18-20, 2012.

BACKGROUND

For more than 110 years, the League of California Cities has been the statewide organization responsible for legislative advocacy and the development of government capacity for California's cities. The League is an association of California city officials who work together to enhance their knowledge and skills, exchange information, and combine resources so that they may influence policy decisions that affect cities. The mission of the League is: To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

One of the primary roles of the League is to provide programs that strengthen the ability of city councilmembers to effectively fulfill their roles as a member of a representative policy making and oversight body within their communities. To fulfill this purpose the League conducts a number of conferences and training programs throughout the year. One of the priority objectives approved by the City Council on September 14 is the development of the city council. The New Mayors and Councilmembers Academy is one of the best ways to further this objective. The program for the Academy is attached. Sessions will be held on: basic information for new councilmembers; council-staff relations; building and maintaining public trust, legal issues, land use planning and city finances. The next Academy is scheduled for January 18-20, 2012 in Sacramento, CA.

The Board of Directors of the League has waived the 2011-12 dues for the City of Bell to support the reform measures of the new Council. (Dues are based on population; the assessment for Bell is $11,736.) In waving the dues for the current year the Board included a condition that:

"The Bell City Council and Staff participate in League meetings actively and take advantage of the League's resources as they learn to carry out their important responsibilities."

ATTENDANCE

Attendance at this and other similar events entail sacrifice by the councilmembers. There is never a good time to leave your business and family and invest three days is capacity development. Ideally all Councilmembers will be able to attend this conference. This will ensure a common reference point when

AGENDA ITEM NO.

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you return and resume your roles in the City. The California open meeting law (Brown Act) provides for a number of circumstances where attendance of a majority of council members at an event does not constitute a meeting under the Act. Section 54952.2, c, 2 of the California Government Code excludes conference attendance as a meeting of the Council:

"The attendance of a majority of the members of a legislative body at a conference or similar gathering open to the public that involves a discussion of issues of general interest to the public or to public agencies of the type represented by the legislative body, provided that a majority of the members do not discuss among themselves, other than as part of the scheduled program, business of a specified nature that is within the subject matter jurisdiction of the local agency."

The cost of attendance for each Council member is estimated as follows:

Registration	$540
Hotel	$275*
Travel	$200**
Meals	$ 70***
Total	$1085****

*As the program begins at 9:30 AM on Wednesday morning a hotel will be needed for three nights. My recommendation is that the Council stay at the $84/night Clarion Hotel rather than the $165/night Hyatt conference hotel.

** Based on lowest available air fare from LAX to Sacramento and estimated transportation costs from and to airports.

*** Two breakfasts and two lunches are included in the registration.

Councilmember Quintana has been appointed by the Los Angeles County Division of the League to a seat on the to the League's Legislative Policy Committee for Employee Relations. This meeting is scheduled on January 20th and expenses will be covered by the costs of conference attendance.

I plan to attend the conference as well to help put the information from various sessions into context.

FINANCIAL IMPACT

The total estimated cost of attendance is $6510: $5425 for five council members and $1085 for the ICAO. Adequate funds are in the adopted 2011-12 City Budget. The Council budget includes $10,000 for conferences and education (01-521-0100) and the Administrators budget includes $2,000 (01-521-0200).

Attachments

1. New Mayors and Councilmembers Academy announcement
2. Letter from League of California Cities waiving Bell's 2011-12 dues
3. Letter of appointment of Councilmember Quintana to League Employee Relations Policy Committee

LEAGUE OF CALIFORNIA CITIES

New Mayors and Council Members Academy 2012

Wednesday, January 18 – Friday, January 20
Hyatt Regency, Sacramento

REGISTRATION AND HOUSING DEADLINE:
Friday, January 6
www.cacities.org/events

www.facebook.com/leagueofcacities
Follow @CaCitiesLearn

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WEDNESDAY, JANUARY 18

REGISTRATION

8:00 a.m. - 4:00 p.m.

Effective Advocacy & Key City Issues

9:30 - 10:15 a.m.

Acquire practical skills to develop persuasive arguments and testimony that serve your city's interests.

SPEAKERS:
Dan Carrigg, Legislative Director, League of California Cities
Dorothy Holzem, Natasha Karl, Kirstin Kolpitcke, Kyra Ross, Jennifer Whiting, Legislative Representatives, League of California Cities

Basics Boot Camp

10:30 - 11:45 a.m.

After a few council meetings you discover that sitting on the "target" side of the dais means, among other things, you must be prepared. Prepare by reviewing some basic rules for new mayors and council members.

SPEAKERS:
Jim Gray, Former Council Member, Roseville
Michael Shellito, Retired City Manager, Roseville, Shellito Training and Consulting

GENERAL LUNCHEON

Your League and How To Use It

Noon - 1:30 p.m.

As a city official, you are the League. Its success, along with yours, depends on your involvement and leadership. Gain an introduction to the services of the League of California Cities, how you can access them, and how you can become involved for mutual benefit.

SPEAKER:
Chris McKenzie, Executive Director, League of California Cities

Your Legal Powers and Obligations

2:00 - 3:45 p.m.

You were elected to make things happen in your city. Learn the sources of your powers as a city official and the limitations on those powers. Gain a basic understanding of the legal authorities and restrictions under which cities and city officials operate with a focus on the Brown Act.

SPEAKERS:
Koreen Kelleher, Deputy General Counsel, League of California Cities
Jayne W. Williams, Principal, Meyers Nave

Policy Role in Land Use Planning

4:00 - 5:00 p.m.

Land use planning is one of the most important aspects of a city official's responsibilities. It involves the setting and implementation of the policies articulated in the city's general plan and its zoning code. Learn about tools and processes in land use planning such as the California Environmental Quality Act (CEQA). This knowledge will help you foster a solid working relationship with your city's planning commission and planning staff.

SPEAKERS:
Patricia E. Curtin, Land Use/Municipal Law Attorney, Planning Commission Chair, Lafayette
Laurence S. Wiener, Shareholder, Richards, Watson & Gershon

Legislative Reception

6:00 - 7:15 p.m.

This is a great opportunity for newly elected city officials to gather and meet with state Assembly Members and Senators from throughout the state.

THURSDAY, JANUARY 19

REGISTRATION

7:30 a.m. - Noon

Networking Breakfast

7:30 - 8:15 a.m.

Relationship between City Council and City Manager/Staff

8:30 - 10:00 a.m.

As an elected official, there are various competing and legitimate values that drive you and your colleagues. Your success on the council requires an effective relationship with your city manager, city attorney, and staff. Learn how to work together while respecting those diverse roles. Discover how to enhance these relationships. Leave with valuable and practical tips.

SPEAKERS:
Richard Bloom, Mayor, Santa Monica
Rod Gould, City Manager, Santa Monica

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Sessions/Speakers are subject to change.

Communications and the New Media

10:15 - 11:45 a.m.

With public perceptions of today's Government (federal, state and local) at all-time lows, the question must be asked – how do people learn so much, so fast about government? With such a variety of almost immediate informational sources (Internet, podcasting, socials media, the Blogosphere, etc.), elected officials need to be quick on their feet and develop the necessary skills to address issues. Discover what cities should be doing to communicate with their constituents in the 21st century and the new forms of media that must be embraced.

SPEAKERS:
Christine Brainerd, Public Information Officer, Elk Grove
Laura Kalty, Attorney, Liebert Cassidy Whitmore

GENERAL LUNCHEON

El-Circo — How to Conduct an Effective and Respectful Council Meeting

Noon - 2:00 p.m.

Please be seated by 12:00 p.m. for a plated lunch before enjoying a humorous, yet functional skit depicting the wrong, then right way, to conduct your city council meetings.

FACILITATOR:
Michael Jenkins, City Attorney, Cities or Diamond Bar, Hermosa Beach, Rolling Hills and West Hollywood, Jenkins & Hogin

Financial Responsibilities and City Revenues

2:15 - 4:45 p.m.

Cover your responsibilities as elected officials in exercising fiduciary accountability and transparency in open government.
Discuss the local government financial cycle, elected official financial oversight duties, state and local funding relationships, and identify the four stages of fiscal meltdown. Stress the importance of structurally balanced budgets tips on setting city council goals and the need for financial policies.

SPEAKERS:
Michael Coleman, Fiscal Policy Advisor, League of California Cities, CaliforniaCityFinance.com
Paul Navazio, Assistant City Manager, Davis

League Building Tour

5:15 - 6:00 p.m.

Being a new member of the League of California Cities, this is your chance to see the League's office headquarters. The League building was the first LEED Gold Certified building renovation in Sacramento.

Evening on Your Own

6:00 p.m.

FRIDAY, JANUARY 20

New Mayor and Council Member Roundtable Networking Breakfasts

8:00 - 9:15 a.m.

Here is a great opportunity to enjoy breakfast with your peers and to question seasoned veterans of what it is really like being an elected official. There will be two groups, one for newly elected Mayors and the other for Council Members. There may never be a better chance to ask questions so freely and get the true candid answers.

How to Build and Maintain the Public's Trust: Practical Ethics and the Law

9:45 - 11:45 a.m.

State law requires elected and appointed officials to receive training in specified ethics laws and principles every two years.
Newly elected and appointed officials must receive this training within one year of becoming a public servant. This lively, example laden, two-hours will make this mandatory training more tolerable — if not outright enjoyable. Sign-in begins at 9:30 a.m. and you must be present for the full two hours to receive the certification of attendance at 11:45. *(Planned with the Institute for Local Government)*

SPEAKER:
JoAnne Speers, Executive Director, Institute for Local Government

ADJOURN

Noon

Save the Date:

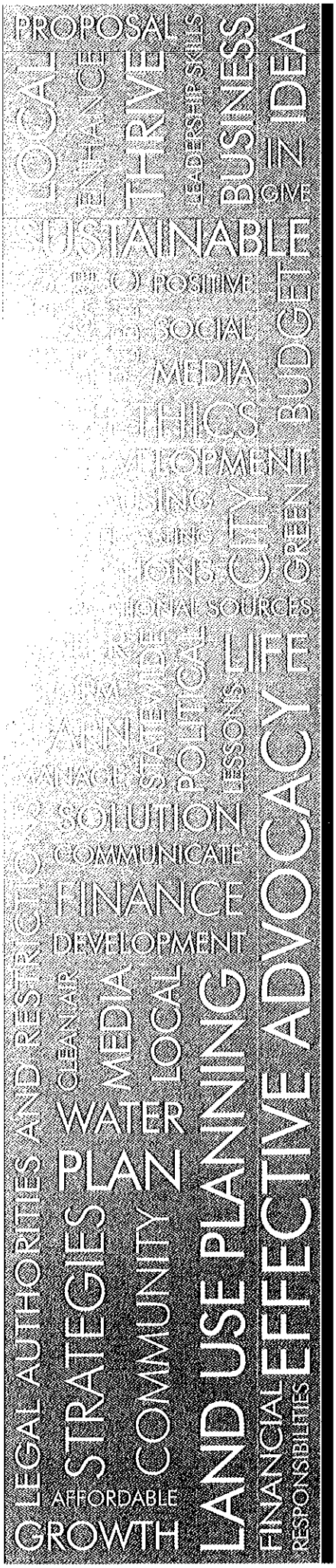
— 2012 —

Legislative Actions Days
April 25-27 – Sacramento

Advanced Leadership Workshop
April 26-27 – Sacramento

Annual Conference and Expo
September 5-7 – San Diego

Sessions/Speakers are subject to change.



NEW MAYORS AND COUNCIL MEMBERS ACADEMY

GENERAL INFORMATION

Register for the conference

All attendees must register for the conference online prior to reserving a hotel room.

- Once registration is complete, you will be directed to the housing registration page.
- For online registration or to download a form if paying by check please visit our website at www.cacities.org/events.

Full registration includes two breakfasts, two lunch sessions, a networking reception and a printed resource guide.

Registration badges must be worn at all times during the conference. It is your meal and events ticket. Single meal tickets will not be available for sale.

Elected Officials and City Staff $540

Elected Officials and City Staff Non-Members City..... $1,540

Spouse Reception Fee $30
(on-site registration only)
Note: It is inadvisable to use city funds to pay for spouse registration.

Seating for this conference is reserved for local elected city officials and staff.
One day registration is not available.

For questions, special needs or assistance on site, please contact our conference registrar at (916) 658-8291 before January 6.

Cancellations

Cancellation refund requests must be in writing to mdunn@cacities.org and received by 5:00 p.m., Friday, January 6. Refunds are subject to a $75 processing charge. Sending an alternate/substitute onsite will avoid the financial penalty. No refunds are available after this date.

HOTEL INFORMATION & RESERVATIONS

Hotel reservation changes must be communicated directly by each individual to the hotel using confirmation information on or before January 6. After this date, all changes may incur a financial penalty, a minimum of a one night room charge and attrition fees.

Hyatt Regency Sacramento

1209 L Street, Sacramento, CA 95814

Hotel Rate (per night): $165 *(plus tax and fees)*

Valet parking $25 per day / nearby self-parking $17 *(subject to change without notice)*

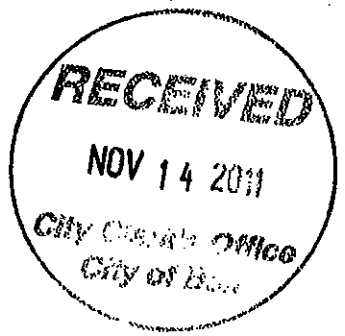
**Please DO NOT book a hotel outside of the League block. This will cause an increase in event costs, liabilities and higher registration rates.*

1400 K Street
Sacramento, CA 95814
ph: (916) 658-8200
fx: (916) 658-8240

LEAGUE OF CALIFORNIA CITIES

WWW.CACITIES.ORG

November 9, 2011



Mr. Arne Croce
Interim Chief Administrative Officer
6330 Pine Avenue
Bell, CA 90201

SUBJECT: Request for Waiver of 2011 Dues

Dear Arne:

At the last meeting of the League of California Cities board of directors the request of the City of Bell for a waiver of its 2011 League dues ($11,736) was discussed and acted upon. The board indicated it was impressed with the efforts of the new city council and interim CAO to rebuild an effective and efficient city government in Bell. The board's desire to be supportive, however, has to be balanced with what is fair to other cities in the state that are members of the League.

Accordingly, the board approved the dues waiver request for the state league dues[1] in view of the extraordinary circumstances facing the City with two caveats:

1. That the Bell City Council and staff participate in League meetings actively and take advantage of the League's resources as they learn to carry out their important responsibilities; and
2. That at such future time as it can afford to repay the League for its 2011 dues that the city of Bell does so.

Accordingly, the League will not rebill the City for its 2011 dues and will continue to carry the City on its records with full member privileges. In the near future, however, we will send a statement for the 2012 calendar year dues in the same amount. If a waiver is desired for that year, a separate request should be made. If the City is in a financial position to repay the League for any waived dues in the future, we would be happy to provide you with another invoice at that time if needed.

Thank you for taking on this important responsibility and being of such important service to the people and City of Bell. I hope to see you soon.

Sincerely,

Christopher McKenzie
Executive Director

c. Kristine Guerrero, Regional Public Affairs Manager
Rob Korinke, Executive Director, Los Angeles County Division

[1] Please note the Los Angeles County Division of the League has separate dues and will have to be approached separately about any dues waiver request.

Los Angeles County Division
League of California Cities

October 31, 2011

Ana Maria Quintana
Council Member
City of Bell
6330 Pine Ave.
Bell, CA 90201

Dear Ana Maria:

Thank you for your interest in serving as the Division's representative on a League Policy Committee for the coming year. I am pleased to appoint you to the Employee Relations Policy Committee for 2012.

The members of the Los Angeles Division of the League of Cities truly appreciate your interest in representing our regional perspective on this policy committee.

As part of your service to the Division, we would ask that you periodically provide brief reports to the membership on your policy committee's activities at our monthly General Membership Meetings.

Please visit the League webpage, http://www.cacities.org/policycommittees, for more information regarding the League's policymaking process and for specific information on your particular committee. You will also find there the final 2012 meeting schedule and locations, so that you can mark your calendar to attend.

Again, thank you for your efforts on behalf of the Los Angeles County Division. If you have any questions regarding this responsibility, please do not hesitate to contact League Staff.

Sincerely,

Bruce Barrows
President
Los Angeles Division
League of California Cities

2010-11 Officers and Board of Directors

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Bruce Barrows
Cerritos

Vice President
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Redondo Beach

Secretary
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Cliff Numark
Torrance

Westside Cities COG
Micheal O'Leary
Culver City

Executive Director
Robb Korinke

LEAGUE OF CALIFORNIA CITIES

2012 POLICY COMMITTEE SCHEDULE

Meetings begin at 10:00 a.m. and end by 3:00 p.m.

January 19 - 20, 2012
Sacramento Convention Center, 1400 J Street, Sacramento 95814
*Committees meeting at League Office, 1400 K Street, Sacramento 95814

Thursday, January 19, 2012
*Administrative Services
Environmental Quality
Revenue and Taxation
Transp., Comm. & Public Works

Friday, January 20, 2012
*Community Services
Employee Relations
Housing, Community & Economic Dev.
Public Safety

March 29 - 30, 2012
Doubletree Hotel, 222 N. Vineyard Avenue, Ontario 91764 (909) 937-0900

Thursday, March 29, 2012
Administrative Services
Environmental Quality
Revenue and Taxation
Transp., Comm. & Public Works

Friday, March 30, 2012
Community Services
Employee Relations
Housing, Community & Economic Dev.
Public Safety

June 14 & 15, 2012
Sacramento Convention Center, 1400 J Street, Sacramento 95814
*Committees meeting at League Office, 1400 K Street, Sacramento 95814

Thursday, June 14, 2012
*Administrative Services
Environmental Quality
Revenue and Taxation
Transp., Comm. & Public Works

Friday, June 15, 2012
*Community Services
Employee Relations
Housing, Community & Economic Dev.
Public Safety

Deadline for Submitting Annual Conference Resolutions
Midnight on Saturday, July 7, 2012 – E-mail, regular mail, or fax

ANNUAL CONFERENCE
September 5 - 7, 2012, San Diego Convention Center
Policy Committee Meetings, TBD – Wednesday, September 5

NOTE: Policy committee members should be aware that lunch is usually served at these meetings. The state's Fair Political Practices Commission takes the position that the value of the lunch should be reported on city officials' statement of economic interests form. Because of the service you provide at these meetings, the League takes the position that the value of the lunch should be reported as income (in return for your service to the committee) as opposed to a gift (note that this is not income for state or federal income tax purposes—just Political Reform Act reporting purposes). The League has been persistent, but unsuccessful, in attempting to change the FPPC's mind about this interpretation. As such, we feel we need to let you know about the issue so you can determine your course of action.

If you would prefer not to have to report the value of the lunches as income, we will let you know the amount so you can reimburse the League. The lunches tend to run in the $30 to $45 range. To review a copy of the FPPC's most recent letter on this issue, please go to the League's Website: www.cacities.org/FPPCletter.

City of Bell
Agenda Report

DATE: December 14, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Nancy Fong, AICP Interim Community Development Director
Carlos M. Chacon, Assistant City Planner

APPROVED BY:
Arne Croce, Interim Chief Administrative Officer

SUBJECT: **AN URGENCY ORDINANCE OF THE CITY OF BELL ESTABLISHING A MORATORIUM ON THE ACCEPTANCE, PROCESSING OR THE ISSUANCE OF CONDITIONAL OR SPECIAL USE PERMITS, OR ENTITLEMENTS FOR ALL RECYCLING FACILITIES IN THE CITY OF BELL.**

RECOMMENDATION:

Determine that there are sufficient facts of findings to support the declaration of an Urgency Ordinance establishing a moratorium on recycling facilities; and, direct staff to prepare a study to examine the adequacy of current development standards and the need to establish new regulations for recycling facilities in the City.

BACKGROUND:

On November 22, 2011, the City Council held a public hearing to consider Conditional Use Permits for two large recycling facilities at two separate locations that were within 1,000 feet of each other. The City Council approved the large recycling facility located at 6216 Maywood and continued the recycling facility located at 3605 Gage Avenue to the December 14, 2011 meeting. The purpose was to allow additional time for Council to review the complaints made by numerous residents concerning the impacts such use have on their properties including noise, odor, traffic and the impacts to land value.

At the hearing and after taking in public input, the City Council raised several concerns on allowing recycling facilities in the City. A concern was that the number of recycling facilities continues to increase, which was not in proportion to the size of the City and its population. The second concern was that allowing recycling facilities to operate along

major commercial corridors might not further the goals of economic development in the city. The third concern was that recycling facilities were located in close proximity to residential use, which could create public nuisance for residents. The City Council determined that there is a need to examine and study this type of land use and that new development and performance standards are necessary to adequately regulate the use.

ADEQUACY OF CURRENT CODES:

Chapter 17.80 of the Bell Municipal Code (BMC) was established to regulate small and large recycling facilities within the City. These requirements were approved to establish uniform control and regulation by the City in order to protect the peace, health, safety, and welfare of the residents of the City of Bell. The regulations under this chapter are consistent with the State Policy under the California Beverage Container Recycling and Litter reduction Act (Recycling Act).

The standards that are currently in place require that the recycling facility be certified by the Department of Conservation under the provisions of the Recycling Act. Pursuant to BMC section 17.80.06, the established regulations are applicable to all recycling facilities and address potential issues that pertain only to the site on which the recycling facility will be located, not on issues that affect the surrounding uses.

The current standards allow recycling facility to be located in any commercial zone regardless of the nature of the existing use of the site and the surrounding land uses. To date the City's has four small recycling facilities and one large recycling facility all within a 2.8 square miles jurisdiction. Two of the four small recycling facilities are within 500 feet of each other while the two large recycling facilities are within 1,000 feet of each other. The number of recycling facilities and the closeness of the recycling facilities to each other demonstrated that the current development standards do not adequately regulate the density and the distribution of the recycling facilities within the City, which leads to an over-concentration of this type of land use and creates incompatible land uses and visual blight.

Further, the four small recycling facilities and the large recycling facilities are located in close proximity to residential uses ranging from a distance of 10 feet to 50 feet. This is because the current standards do not have provisions to regulate the distance separation of recycling facilities from sensitive land uses, such as residential uses and day care centers nor provisions to address the operational performance of this type of use. Additionally the standards do not take into consideration the compatibility of the land use on which the recycling centers are located on, potentially inhibiting future development opportunities in commercial zones.

In the absence of appropriate standards, it is staff recommendation that a study is warranted to examine existing standards and to determine additional or new standards to address the above mentioned concerns.

URGENCY ORDINANCE IMPOSING A MORATORIUM

California Government Code section 65858 provides a statutory authority for interim ordinances prohibiting uses that may conflict with a contemplated general plan, specific plan or zoning proposal that the city is studying or plans to study. An interim ordinance, more commonly referred to as a moratorium, imposes temporary land use controls based on a documented, current and immediate threat to public health, safety, and welfare. An interim ordinance protects and promotes the planning process by prohibiting the introduction of potentially non-conforming land uses that could defeat or impair a later adopted general plan or zoning ordinance.

Procedurally, such an Ordinance may be adopted initially without a public hearing following a 4/5 vote of the legislative body. The initial moratorium will have duration of 45 days. Ten (10) days prior to the expiration of such an ordinance or any extension thereof, a written report is to be issued describing the measures taken to alleviate the condition that led to the adoption of the ordinance. After a noticed public hearing has been scheduled, the ordinance may be extended for an additional 10 months and 15 days. Thereafter, the ordinance may be extended one additional year, again with a 4/5 vote. No more than two extensions may be adopted. The City Council cannot adopt or extend any interim ordinance unless the ordinance contains a finding that there is a current and immediate threat to the public health, safety and welfare, and that the approval of applicable land use entitlements would result in that threat to public health, safety and welfare.

ENVIRONMENTAL REVIEW

Staff finds that finds that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in section 15378) of the CEQA guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or in directly.

Attachment: Urgency Ordinance No. 1183

ORDINANCE NO. 1183

AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, ESTABLISHING A MORATORIUM ON THE ACCEPTANCE, PROCESSING, ISSUANCE, OR APPROVAL OF ANY CONDITIONAL OR SPECIAL USE PERMITS OR ENTITLEMENTS FOR THE ESTABLISHMENT OF ANY TYPE OF RECYCLING FACILITY WITHIN THE CITY LIMITS PENDING THE COMPLETION OF STUDIES AND THE PREPARATION OF NEW AND UPDATED ORDINANCES REGULATING RECYCLING FACILITIES.

WHEREAS, the City Council of the City of Bell finds that the current development standards defined in Bell Municipal Code ("BMC") Chapter 17.80 established to control and regulate recycling facilities do not adequately protect the peace, health, safety, and general welfare of the residents of the City; and

WHEREAS, the City Council of the City of Bell finds that the City's current development standards do not adequately regulate the density and the distribution of recycling facilities within the City, which leads to an over-concentration of this type of land use and creates incompatible land uses and visual blight, and that, recently, a number of applications for such uses have been submitted; and

WHEREAS, the City Council of the City of Bell finds that the City does not have development standards to regulate the distance separation of recycling facilities from sensitive land uses, such as residential uses and day care centers, which leads to a potential for land use conflicts and public nuisance problems, such as noise and odors; and

WHEREAS, at recent public hearings concerning such uses, complaints were made by numerous residents concerning impacts of such uses on adjacent properties, including noise, odor, traffic and impacts to land values, and the City Council desires to respond to the concerns of its citizens regarding the density and distribution of recycling facilities; and

WHEREAS, during the interim period, the City Council desires to adopt new development standards for recycling facilities which are consistent with the City's existing planning documents; and

WHEREAS, in an effort to develop comprehensive and appropriate revisions to the Bell Municipal Code for recycling facilities, the City Council desires that staff proceed with a comprehensive study of current development standards for establishing recycling facilities within the City and prepare new and updated ordinances regulating recycling facilities to include the following components including, but not limited to: (a)

density, (b) distribution, (c) proximity to sensitive receptors, and (d) traffic and other issues; and

WHEREAS, a wholly new City Council has been recently elected in the City and has found a number of the City's land use regulations have not been renewed in a considerable time, and there is a need to renew planning standards, and the issuance of entitlement, use, and building permits relating to recycling facilities within the City would be contrary to proper planning efforts; and

WHEREAS, the City Council of the City of Bell desires to maintain the status quo and temporarily delay the acceptance and issuance of conditional and special use permits for all recycling facilities, whether or not said facilities are currently addressed by BMC Chapter 17.80, until a new zoning proposal for said recycling facilities is evaluated and adopted; and

WHEREAS, the City Council finds an declares that all projects with approvals of entitlements as of the effective date of this Interim Urgency Ordinance are permitted to proceed under such entitlements, but all projects without entitlements or permits shall be prohibited during the pendency of this Interim Urgency Ordinance; and

WHEREAS, Government Code Sections 65858, 26934, and 36937 expressly authorize the City Council to adopt an urgency ordinance to protect the public health, safety and welfare and to prohibit certain land uses that may conflict with zoning proposals that the City Council is considering or studying or intends to study within a reasonable time; and

WHEREAS, The City Council finds that there is a current and immediate threat to the public health, safety, and welfare based on the above findings, and upon that basis has determined that an urgency ordinance prohibiting the acceptance, processing and issuance of permits or entitlements for all recycling facilities in the City of Bell is warranted.

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

Section 1. Above-Recitals. The above recitals are true and correct.

Section 2. Interim Moratorium on Establishing New Recycling Uses.

(a) No application may be accepted or processed to establish any recycling facility with the City, nor may any conditional or special use permits or entitlements for the establishment of any type of recycling facility be issued or approved during the term of this ordinance, as it may be extended from time to time.

(b) Notwithstanding the foregoing, a recycling facility is defined to be any of the types of recycling facilities described and/or defined in BMC Chapter 17.80 or in BMC Section 17.08.010, including, without limitation, "Recycling Collection Facility, Small or Large," "Recycling Processing Facility, Light or Heavy," "Recycling Unit, Mobile," "Reverse Vending Machine," and "Reverse Vending Machine, Bulk."

(c) Thus, the City Council directs staff to undertake a comprehensive study and analysis of current development standards for establishing recycling facilities within the City. The comprehensive study shall include, but not be limited to, the following components: (a) density, (b) distribution, (c) proximity to sensitive receptors, and (d) traffic to and from and around such facilities. The study shall be completed within a reasonable time.

Section 3. Urgency Declaration. The City Council finds and determines that the current development standards defined in BMC Chapter 17.80 established to control and regulate recycling facilities do not adequately protect the peace, health, safety, and general welfare of the residents of the City because they do not adequately regulate the density and the distribution of recycling facilities within the City, which leads to an over-concentration of this type of land use and creates incompatible land uses and visual blight; and because they do not regulate the distance separation of recycling facilities from sensitive land uses, such as residential uses and day care centers, which leads to a potential for land use conflicts and public nuisance problems, such as noise and odors.

Section 4. Urgency Findings. In adopting this Interim Urgency Ordinance, the City Council finds and determines that the adoption of this Interim Urgency Ordinance is necessary to protect the public safety, health, and welfare, as those terms are defined in Government Code Section 65858(a), for the reasons set forth below in this Section 4.

(a) The City has four small recycling facilities in operation, recently approved a new large recycling facility and is contemplating the approval of a second large recycling facility, all within a 2.8 square miles jurisdiction. Further, two of the four small recycling facilities are within 500 feet of each other while the two large recycling facilities are within 1,000 feet of each other. The number of recycling facilities and the closeness of the recycling facilities to each other demonstrate that the current development standards do not adequately regulate the density and the distribution of recycling facilities within the City, which leads to an over-concentration of this type of land use and creates incompatible land uses and visual blight.

(b) The four small recycling facilities and the large recycling facilities are located in close proximity to residential uses ranging from a distance of 10 feet to 50 feet. Further, the City does not have development standards to regulate the distance separation of recycling facilities from sensitive land uses, such as residential uses and day care centers nor regulations to address the operational performance of this type of

business establishment. In the absence of appropriate regulations, inadequately regulated establishments could attract public nuisances such as littering, foul odors, increased noise from trucks picking up recycled materials, abandonment of shopping carts around the businesses and other unwanted activities.

Thus, the approval of conditional and special use permits for all recycling facilities, whether or not said facilities are currently addressed by BMC Chapter 17.80, would result in that threat to public health, safety, and welfare, as identified above in this Section 4. Due to the foregoing circumstances, it is necessary for the preservation of the public health, safety, and welfare that this ordinance take effect immediately.

Section 5. CEQA Finding. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in section 15378) of the CEQA guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or in directly.

Section 6. Vote Required for Adoption of Ordinance. This Interim Urgency Ordinance is enacted pursuant to the authority conferred upon the City Council of the City of Bell by Government Code Section 65858, 36934 and 36937, and shall be in full force and effect immediately upon its adoption by a four-fifths (4/5) vote of the City Council.

Section 7. Length of Moratorium. This Interim Urgency Ordinance is hereby declared an urgency measure and shall take effect on December 14, 2011, immediately upon its introduction and adoption by the City Council, and remain in effect for forty-five (45) days from that date, until January 27, 2012, unless extended pursuant to Government Code Section 65858 or terminated earlier by the City Council, but it may be extended thereafter in accordance with law.

Section 8. Written Report. Pursuant to Government Code Section 65858(d), no later than ten (10) days prior to the expiration of this ordinance, or any extension, the City Council shall issue a written report describing the measures taken to alleviate the conditions that led to the adoption of this ordinance.

Section 9. Severability. If any provision, clause, sentence or paragraph of this Ordinance, or the application thereof to any persons or circumstances, shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application and, to this end, the provisions of this Ordinance are hereby declared to be severable.

Section 10. The City Clerk shall certify the adoption of this interim ordinance and shall cause the same to be processed in the manner required by law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Bell, California, at a regular meeting held on this 14th of December, 2011.

_____
Ali Saleh, Mayor

ATTEST:

_____
Rebecca Valdez, CMC, City Clerk

APPROVED AS TO FORM:

_____
Dave Aleshire, City Attorney

I, Rebecca Valdez, City Clerk, Bell, California, hereby certify that the foregoing ordinance was adopted by the City Council of the City of Bell at a regular meeting held on the 14th day of December, 2011 and passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Rebecca Valdez, CMC, City Clerk

City of Bell
Agenda Report

DATE: December 14, 2011

TO: Honorable Chair and Planning Commission Members

FROM: Nancy Fong, AICP Interim Community Development Director
Carlos M. Chacon, Assistant City Planner

APPROVED BY:
Arne Croce, Interim Chief Administrative Officer

SUBJECT: CONTINUED PUBLIC HEARING FOR AND CONSIDERATION OF CONDITIONAL USE PERMIT NO 2011-08 TO ALLOW LARGE RECYCLING COLLECTION FACILITY TO BE LOCATED WITHIN AN EXISTING 2,048 SQUARE FOOT BUILDING TO BE ESTABLISHED AT 3605 GAGE AVENUE BELL CA.

BACKGROUND/DISCUSSION

On November 9, 2011- regular meeting, the applicant, Edwin Claros, requested that the City of Bell Planning Commission consider a request for Conditional Use Permit (Conditional Use Permit (CUP 2011-08) to allow Large Recycling Collection facility to be located within an existing 2,048 square foot building, pursuant to Bell Municipal Code, Chapter 17.96.030.66. The Subject property is located at 3605 Gage Avenue and at the Northwest Corner of Loma Vista and Gage Avenues. The property is zoned C-3R Commercial Mixed Use residential.

The Planning Commission continued the public hearing to the December 14, 2011 regular meeting, in order to allow more time for the applicant to prepare and submit a business plan and detailed site plan showing the improvements on the subject property.

After careful consideration of his endeavor and the requirements that the Commission requested, Mr. Edwin Claros opted to rescind his application for Conditional Use Permit 2011-08 and decided not to pursue his plans to open a large recycling facility at 3605 Gage Avenue.

Attached is a copy of the letter requesting to withdraw from his CUP application. No Further action is required.

Thursday, December 8, 2011

CUP Application Cancellation

I regret to inform the City of Bell that I will no longer pursue plans to open a large recycling facility at 3605 Gage Avenue. I am very disappointed that things did not go as planned but hope that in the future I may be able to conduct business in my hometown of Bell.

Best Regards,
Edwin Claros

(323) 356-1196

City of Bell
Agenda Report

DATE: December 14, 2011

TO: Honorable Chair and Planning Commission Members

FROM: Nancy Fong, AICP, Interim Community Development Director

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Reconsideration of Resolution No. 2011-47 Approving Conditional Use Permit No. 2011-06 and a Determination of Public Convenience or Necessity (PCN) to Allow the Sale for Off-Premises Consumption of Beer and Wine for a Proposed Retail Grocery Located Within an Existing 4,000 Square Foot Building on an Existing 11,362 Square Foot Lot; Location: 6399 Atlantic Avenue within the C-3 Zoning District.

RECOMMENDATION:

Review the application and adopt the resolution, as amended.

DISCUSSION/BACKGROUND:

On November 22, 2011, the Planning Commission held a public hearing to consider the above described project. The Planning Commission unanimously approved the Conditional Use Permit No. 2011-06 with a modification to a condition of approval by extending the restricted delivery hours from 2 pm to 6 pm to the new restricted delivery hours of 11 am to 6 pm.

The applicant, Fresh and Easy, requested the Planning Commission to re-consider the extended restricted delivery hours back to the original restricted delivery hours of 2 pm and 6 pm. The Conditional Use Permit (CUP) in Bell Municipal Code has provisions that allow the Planning Commission to periodically review the CUP for compliance of conditions of approval and for assuring that the CUP is operating in a manner not to adversely impact the surrounding businesses. With these built-in requirements, if the truck deliveries cause problems for other businesses, then we can revisit the restriction of delivery hours for Fresh & Easy.

Staff recommends that the Planning Commission adopt the attached resolution with the amended condition of approval for the restricted delivery hours of 2 pm to 6 pm.

ATTACHMENTS

Resolution of approval No. 2011-47, as amended

RESOLUTION 2011-47

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF BELL APPROVING CONDITIONAL USE PERMIT CUP 2011-06 AND ISSUING A DETERMINATION OF A PUBLIC CONVENIENCE OR NECESSITY (PCN) TO ALLOW OFF-SALE BEER AND WINE FOR A PROPOSED RETAIL GROCERY LOCATED WITHIN AN EXISTING 4,000 SQUARE FOOT BUILDING ON AN 11,362 SQUARE FOOT LOT. THE SUBJECT PROPERTY IS LOCATED AT 6399 ATLANTIC AVENUE WITHIN THE C-3 ZONING DISTRICT, APN: 6317-018-407.

A. RECITALS

WHEREAS, Fresh & Easy Neighborhood Market (the Applicant") filed a complete application requesting the approval of Conditional Use Permit 2011-06 described herein ("Application");

WHEREAS, the Application pertains to an approximate 11,362 square foot property on Los Angeles County Assessor's parcel number 6317-018-407, more commonly known as 6399 Atlantic Avenue, Bell, California ("Property");

WHEREAS, the Applicant requests approval Conditional Use Permit CUP 2011-06 and issuing a determination of a Public Convenience or Necessity (PCN) to allow Off-sale Beer and Wine for a proposed Retail Grocery Store located within an existing 4,000 square foot building, pursuant to Bell Municipal Code, Chapter 17.96.030.2.c and

WHEREAS, an environmental assessment form was submitted by the Applicant pursuant to pertinent City requirements. Based upon the information received and Staff's assessment, the project was determined not to have a significant environmental impact on the environment and is categorically exempt from the California Environmental Quality Act ("CEQA") (Public Resources Code Section 210000 et seq.) and pursuant to Section 15301 of the CEQA guidelines, Title 14, Chapter 3 of the California Code of Regulation; and

WHEREAS, on October 26, 2011 the Planning Commission of the City of Bell conducted a duly noticed Public Hearing on the Application, and continued the Public Hearing to the November 22, 2011 Planning Commission meeting to allow time for the applicant and staff to review and resolve several conditions of approval; and

WHEREAS, Staff has met with the applicant, and has reviewed and resolved the conditions of approval whereby the applicant as well as the City Attorney, have reviewed the conditions of approval and found them to be acceptable; and

WHEREAS, on November 22, 2011, the Planning Commission of the City of Bell concluded a duly noticed continued Public Hearing on the Application, and all legal pre-requisites to the adoption of this resolution have occurred.

WHEREAS, on December 14, 2011, the Planning Commission of the City of Bell re-opened the public hearing on the Application, reconsidered and amended the conditions of approval.

RESOLUTION

NOW, THEREFORE, THE PLANNING COMMISSION DOES HEREBY FIND, DETERMINE AND DECLARE AS FOLLOWS:

1. All of the facts set forth in the recitals, Part A of this resolution, are true and correct and are incorporated herein by reference.

2. All necessary public hearings and opportunities for public testimony and comment have been conducted in compliance with State law and the Municipal Code of the City of Bell.

3. Upon independent review and consideration of all pertinent information and the information contained in the Notice of Exemption for the CUP, the Planning Commission hereby finds and determines that the proposed project is exempt from California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 et seq.) pursuant to the Class 1 categorical exemption in Section 15301(a) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations) in that the project involves the occupation of an existing building. The Planning Commission further finds that the proposed project will not result in direct or indirect significant impact on the environment. Accordingly, the Planning Commission adopts the Notice of Exemption and directs the Staff to file the Notice of Exemption as required by law.

4. Based upon substantial evidence presented to this Commission during the November 22, 2011 public hearing and the re-opened hearing of December 14, 2011, including public testimony and written and oral staff reports, this Commission finds as follows:

   a) The site for the proposed use is adequate in size, shape and topography to accommodate the proposed use. The existing site has a fully approved building that will accommodate the proposed use. The proposed site plan showed only minor modifications to the current building with the addition of signs and themed painting on the existing building. There will be a tenant improvement for the interior of the store to accommodate the grocery sales area and the proposed bakery.

   b) The subject site has sufficient access to public streets and highways adequate in width and pavement type, to carry the quantity and quality of vehicular and pedestrian traffic expected to be generated by the proposed use. The subject site is located on Gage Avenue and Atlantic Avenue which are major arterial streets that can handle the current and future generated traffic for this

existing facility. Additionally, the site is arranged to provide adequate circulation for ingress and egress from Gage and Atlantic Avenues, effectively eliminating any direct traffic incidents on Atlantic Avenue.

c) The existing building to be utilized in conjunction with the use will be architecturally compatible with the existing and prospective uses of land located in the immediate vicinity of the site. The applicant will not modify the exterior of the building other than to paint the exterior surfaces to renew the appearance of the existing building.

d) The location of the proposed use on the site is compatible with existing and proposed uses along the commercial corridor along Atlantic and Gage Avenues. The proposed sale of beer and wine for off-site consumption will not adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare in that the surrounding area is composed of other similar commercial uses that sell beer and wine.

e) The conduct of the proposed use is in compliance with the applicable provisions of the general plan of the City of Bell. The proposed use will be promoting economic stability through the provision of an additional service to patrons which will result in the diversification of the commercial base along the Gage and Atlantic Avenue corridors.

f) The proposed use of the site including the sale of beer and wine for off-site consumption is deemed to be of necessity to the applicant's business plan and part of the desired services offered to the public as a convenience while shopping at the proposed market.

Based upon the foregoing findings, the Planning Commission hereby approves Conditional Use Permit No. 2011-06, subject to the following **amended** conditions:

B. CONDITIONS OF APPROVAL

That the property shall be maintained in accordance with:

A. The Applications and Exhibits thereto, "A" through "D" included in this report on file in the office of the Clerk of the City of Bell; and

B. All applicable laws, including, but not limited to, Bell Municipal Code and the Bell Zoning Code, Specifically Chapter 17, as the same exist as of the date of approval of this Application or as the same may hereafter be amended; and

C. All of the conditions of approval as set forth in this Conditional Use Permit No. 2011-06 and all applicable conditions as set forth in the site's existing Resolution 90-25; and

1. That this Conditional Use Permit (CUP 2011-06) entitlement shall be for an Express Grocery Store with an Alcoholic Beverage Control Department license Type 20 for the sale of beer and wine only (no liquor) for off-site consumption; any increase, intensification and/or change of use shall be subject to review by the Planning Commission through a Conditional Use Permit process as noted in Chapter 17; and

2. That the applicant's total yearly alcohol sales shall make up no more than twenty five (25) percent of the establishment's total gross floor sales area and that the beer and wine use shall be ancillary to the primary Grocery Store use; and

3. That if the chief of police determines that there is a continuing police problem arising from store operations, he or she may, after having sought to have the applicant and/or landlord address the problem, require that the store provide a police-approved doorman and/or security personnel during normal business hours; and

4. That the Conditional Use Permit conditions shall be placed on the property in a location where employees can easily read the conditions; and

5. That this Conditional Use Permit is subject to annual review by the appropriate City of Bell Department, including but not limited to Police, Building and Safety, Planning, Public Works, Finance, CAO; and

6. That prior to the issuance of building permits the applicant will submit two sets of plans to the department of building and safety for plan check review and shall obtain approval of such plans by all agencies pertinent to the project proposal; and

7. That all conditions of approval, as requested in writing by the Los Angeles County Fire Department, the Los Angeles County Health Department, and in compliance with the 2010 California Building Code, regarding but not limited to hazardous/flammable storage of chemicals and/or materials, access, fire flow, and maximum occupancy requirements for the property shall be complied with or guaranteed prior to the issuance of building permits for improvements of the property; and

8. That all textures, materials, and colors utilized on exterior elevations of the building are subject to review by the City of Bell Architectural Review Board and/or Planning Commission; and

9. That the Applicant guarantees that there will be no deviation from the approved number of parking spaces, including reserved parking, compact parking, loading spaces, car and vanpool parking and any other ancillary

forms of parking provided, and that the project will at all times conform to the parking plan indicated in Exhibit "C" to the Agenda Report accompanying this Resolution; and

10. That the Applicant agrees that all tenant improvements shall be in accordance with all necessary local, state and federal guidelines for handicapped access including, but not limited to the Americans with Disabilities Act, and the 2010 California Building Code; and

11. That there shall be no public telephones located on the property except within an enclosed building. Building as used herein shall not include telephone booths; and

12. That any signage shall require that a signage plan be submitted separately and approved by the Architectural Review Board, pursuant to the provisions outlined in the Bell Zoning Code; and

13. That the applicant and each of his agents, contractors, and subcontractors engaged in construction activities on the property shall obtain proper business and contractor's licenses from the City of Bell; and

14. That Applicant shall make a reasonable good faith effort to hire locally and within the City of Bell. Applicant shall establish a local employment program where all openings for employment shall be advertised through approved advertisers. Applicant shall develop a written hiring plan and file such plan with and receive approval of the Planning Director; and

15. That Applicant agrees to maintain the property and all related on-site improvements and landscaping thereon, including, without limitation, buildings, parking areas, lighting, and walls in a first class condition and repair, free of rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all Federal, State, County and local bodies and agencies having jurisdiction, at applicant's sole cost and expense. Such maintenance and repair shall include, but not be limited to, the following: (i) building surfaces and structures shall be painted and kept in good repair; (ii) signs shall be maintained in a first class condition of repair; (iii) sweeping and trash removal shall be performed regularly; (iv) shrubbery, plantings, and other landscaping shall be cared for and kept in a healthy condition, and replaced as needed; and (v) asphalt or concrete paving shall be repaired, replaced and restriped using the same type of material originally installed, to the end that such paving at all times be kept in a level and smooth condition; and

16. That all commercial deliveries to the Property shall be prohibited between the hours of **2:00 p.m. to 6:00 p.m.,** Mondays through Fridays; and

17. That Applicant shall be responsible for filing any and all pertinent documents with the Los Angeles County Recorder's Office and that copies of said licenses and certifications shall be maintained on file with the City of Bell; and

Enforcement of Conditions

18. That, if based upon complaints received concerning the operation of the property, or for other cause, the Planning Director determines that the approved use is exercised contrary to any conditions imposed upon the Conditional Use Permit, or is exercised to the detriment of public health or safety, or constitutes a nuisance, or is otherwise in violation of any laws or this Conditional Use Permit, then the Planning Director shall schedule a noticed public hearing before the Planning Commission in accordance with Bell Municipal Code § 17.96.170 to determine whether the Conditional Use Permit should be revoked. The Commission may revoke the Conditional Use Permit if it finds cause therefore in accordance with Bell Municipal Code § 17.96.170; and

19. That any proposed or actual (i) substantial modification to a building or structure located on the property, or (ii) intensification of use so as to make the parking inadequate, as determined by the Chief Administrative Officer or designee, or (iii) other change in the use of the property, shall be cause to either revoke the Conditional Use Permit under Condition 4 or to review the conditions of the Conditional Use Permit for modification. Any review shall be undertaken through a public hearing before the Planning Commission pursuant to Bell Municipal Code Section 17.96.190. A modification may be approved if necessary to protect the public peace, health and safety, or if necessary to permit reasonable operation under the Conditional Use Permit; and

20. That any graffiti placed on any building or structure located on the property shall be removed promptly after its placement; failure on the Applicant's behalf to remove such graffiti upon twenty-four (24) hours written notice shall empower the City to enter upon the property and cause such removal, or painting over, of said graffiti, at the expense of the Applicant. The Applicant shall promptly pay, upon receipt of an invoice from the City, all the City's reasonable costs of such work; and

21. That the Applicant or a representative shall execute an Affidavit indicating that he/she is aware of all of the terms and accepts all the conditions imposed upon this Conditional Use Permit; and

22. That the applicant shall agree to defend, indemnify and hold harmless, the City of Bell, its agents, officers and employees from any claim, action or proceeding against the City of Bell or its agents, officers or employees to attach, set aside, void or annul, an approval of the City of Bell, its legislative body, advisory agencies, or administrative officers concerning the subject Application. The City of Bell will promptly notify the applicant of any such claim, action or proceeding against the City of bell and the applicant will either undertake defense of the matter and pay the City's associated legal or other consultant costs or will advance funds to pay for defense of the matter by the City Attorney. If the City of Bell fails to promptly notify the applicant of any such claim, action or proceeding, or fails to cooperate fully in the defense, the

applicant shall not, thereafter, be responsible to defend, indemnify or hold harmless the City of Bell. Notwithstanding the foregoing, the City retains the right to settle or abandon the matter without the applicant's consent, but should it do so, the City shall waive the indemnification herein, except, the City's decision to settle or abandon a matter following an adverse judgment or failure to appeal, shall not cause a waiver of the indemnification rights herein.

C. That the City of Bell Clerk shall certify the adoption of this Resolution and shall forward a copy of this Resolution to Fresh & Easy Neighborhood Market.

ADOPTED this 14th Day of December, 2011

_____
Ali Saleh
Mayor

ATTEST:

_____
Rebecca Valdez, CMC
City Clerk

I CERTIFY that the foregoing Resolution No. 2011-47 was adopted by the Planning Commission of the City of Bell at a regular meeting thereof held on the 14th day of December, 2011 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____
Rebecca Valdez, CMC
City Clerk