City Council Agenda

Regular Meeting

Wednesday, January 11, 2012
5:30 PM Closed Session
7:00 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

January 11, 2012
5:30 P.M. Closed Session
7:00 P.M. Open Session

Bell Community Center
6250 Pine Avenue

I. Call to Order

1.01 Pledge of Allegiance to the Flag.

1.02 Roll call of City Council in their capacities as Councilmembers, Community Redevelopment Agency Members and Community Housing Authority 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 LABOR NEGOTIATOR pursuant to Government Code Section 54956.6. (Bell Police Officers Association MOU Negotiations)

3.02 CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Subdivision (a) of Section 54956.9) Name of case: *James Corcoran v. City of Bell* Case No.: Los Angeles County Superior Court BC442280

3.03 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*

3.04 CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Robert A. Rizzo v. Bell*; LASC BC472566.

3.05 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Bell Redevelopment Agency v. County Record Search*: LASC VC059404.

3.06 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATON (Subdivion (a) of Section 549.56.9_; Name of case: *California Redevelopment Association, et al. v. Matosantos*, Cal. Supreme Ct. Case No. S194861.

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

3.08 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation (Government Code Section 54956.9(b)) (Nine (9) potential cases)

IV. 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.

V. Consent Calendar

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

Recommendation: Approve items no. 5.01 through 5.06 inclusive.

5.01 *(Council/Community Redevelopment Agency/Community Housing Authority/Planning Commission)* Approval of Special Bell City Council Minutes dated October 19, 2011 and November 1, 2011; and Bell City Council, Bell Community Redevelopment, Bell 1-26

Community Housing Authority and Planning Commission Minutes dated September 28, 2011, October 12, 2011 and October 26, 2011.

5.02 *(Council/Community Housing Authority)* Approval of General Warrants and Community Housing Authority Warrants dated December 14, 2011 through January 11, 2012. 26A-26R

5.03 Approval Issuance of Dial A Ride Public Transportation Request for Proposal. 27-98

5.04 Appointment of Patricia Healy as Interim City Clerk. 99-102

5.05 Consideration of Resolution No. 2012-02 Setting the Dates and Times of the City Council's Regular Meetings of February through December 2012. 103-107

5.06 *(Community Housing Authority)* Consideration of Appropriations Adjustment Allocating $57,259 in Bell Community Housing Authority funds and authorize payment for improvements completed to the Restroom and Shower Facility at Bell Mobile Home Park by Medina Construction. 108-112

VI. Public Hearing

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

6.01 Consideration of Fiscal Year 2012-2013 Community Development Block Grant Program Budget and Approval of Resolution No. 2012-03 Approving the CDBG Projects and Budgets. 113-132

Recommendation: After receiving public testimony and closing the Public Hearing, adopt the resolution.

6.02 Consideration of An Extension of Urgency Ordinance No.. 1183 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. 133-139

Recommendation: Approve Urgency Ordinance No. 1184 as stated below:

An Interim Urgency Ordinance of the City Council of the City of Bell, California, Extending a Moratorium Adopted by Ordinance No. 1183 by 10 Months and 15 Days, on the Acceptance, Processing, Issuance, or Approval of any Conditional or Special Use Permits or Entitlements for the Establishing 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.

VII. Council/Related Agency 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.

7.01 Consideration of Graffiti Removal Services Award. 140-202

Recommendation: Approve an Agreement with Graffiti Control Systems for Graffiti Removal Services for FY 2011-12 in an amount not to exceed $39,100 with two one-year options in an annual amount not to exceed $93,839.

7.02 Presentation Regarding: Balancing the City's Check Book: Introduction to City Financial Management. 203-255

Recommendation: Receive a presentation on key city financial management concepts and principles and how they relate to the City of Bell; and other structure and recent trends of the City's General Fund revenue and expenses.

7.03 (*Community Redevelopment Agency*) Update: on California Supreme Court Decision Concerning Redevelopment Agency & AB1X26 and Approval of letter in support of SB 659--Temporarily Postpone Dissolution of Redevelopment Agencies. 256-270

Recommendation: Receive and file this report on the status of redevelopment in California given the December 29th Supreme Court decision in Community Redevelopment Association v. Matosantos (No. S194861) and consider submission of support for urgency Senate Bill (SB) 659.

VIII. 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.

IX. 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.

X. Adjournment

Next Regular Meeting, Wednesday, January 25, 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 January 6, 2012 seventy-two hours prior to the meeting as required by law.

Rebecca Valdez, CMC
City Clerk

Special Minutes of
Bell City Council

October 19, 2011
7:00 PM

Bell Community Center
6250 Pine Avenue

Meeting was called to order by Mayor Saleh at 7:00 PM.

Pledge of Allegiance.

Roll call of City Council in their capacities as Councilmembers.

Present:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
Absent:	None
Also Present:	Interim Chief Administrative Officer Croce

Communications From The Public

None.

Council Business

Discussion regarding Strategy for Effective Council meetings.

Adjournment

City Council meeting adjourned at 10:45 PM.

APPROVED THIS 11th DAY OF JANUARY 2012.

Ali Saleh
Mayor

ATTEST:

Rebecca Valdez, CMC
City Clerk

I, Rebecca Valdez, City Clerk of the City of Bell, California, do hereby certify that the foregoing minutes were approved by the City Council of the City of Bell at a regular meeting held on this 11th day of January 2012 by the following vote:

AYES:

NAES:

ABSTAIN:

ABSENT:

_____

Rebecca Valdez, CMC
City Clerk

Special Meeting of
Bell City Council

November 1, 2011
7:00 PM

Bell Community Center
6250 Pine Avenue

Meeting was called to order by Mayor Saleh at 7:06:34 PM.

Pledge of allegiance led by Councilman Valencia.

7:07:27 PM Roll call of City Council in their capacities as Councilmembers.

Present:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
Absent:	None
Also Present:	Interim Chief Administrative Officer Croce, City Clerk Valdez and Interim Director of Community Services Kurita.

Communications From The Public

7:07:43 PM The following individuals spoke during communications from the public Alfred Areyan Richard Espiritu, Jose Moreno and Ismael Morales.

Council Business

Dave Morgan and Debra Owen, CPS HR Consulting provided the presentation on the Classification and Compensation Study.

7:42:49 PM Discussion ensued among the City Council.

8:03:16 PM City Council recessed.

8:10:15 PM City Council reconvened to open session.

8:10:57 PM Vernon Flickin provided the update on the Para-transit Services RFP.

8:31:49 PM Discussion ensued among the City Council.

Adjournment

9:12:17 PM City Council meeting adjourned.

APPROVED THIS 11th DAY OF JANUARY 2012.

Ali Saleh
Mayor

ATTEST:

Rebecca Valdez, CMC
City Clerk

I, Rebecca Valdez, City Clerk of the City of Bell, California, do hereby certify that the foregoing minutes were approved by the City Council of the City of Bell at a regular meeting held on this 11th day of January 2012 by the following vote:

AYES:

NAES:

ABSTAIN:

ABSENT:

Rebecca Valdez, CMC
City Clerk

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

September 28, 2011
7:00 P.M.

Bell Community Center
6250 Pine Avenue

I. Call to Order

Meeting was called to order by Mayor Saleh at 7:34:31 PM.

Pledge of Allegiance led by Councilwoman Ana Maria Quintana.

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

7:35:20 PM

Present:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
Absent:	None
Also Present:	Interim Chief Administrative Officer Croce , City Attorney Aleshire, City Clerk Valdez, City Engineer Alvarado and Captain Miranda

Communications From The Public on Agenda Items Only

7:35:50 PM The following individuals spoke during communications from the public: Greg Nordbak and Michael Williams

Public Hearing of the Planning Commission

7:38:02 PM Carlos Chacon, Assistant Planner, provided the staff report on item 3.01.

7:47:39 PM Discussion ensued among the City Council.

7:59:19 PM Mayor Saleh opened the public hearing regarding the Consideration of Resolution No. 2011-42 Approving Conditional Use Permit 2011-02 to Allow a Religious Worship and

Education Center known as Bell Islamic Center; Location 5232-5250 Gage Avenue, Bell, CA 90201.

7:59:53 PM Thomas Alkam, Bell Islamic Center Board of Directors, spoke in favor of the project.

8:06:28 PM Discussion ensued among the City Council.

8:23:26 PM The following individuals spoke in favor of the project: Willie Aguilar, Lorenzo Martinez, Alfred Areyan, Sonia Manzanilla, Rosie Moreno, Samir Abhdajari, Ashmat, Shalof Hussein, Jose Pulido, Jose Moreno, Jesus Casas, Merly Alejandre, Mohammed Abuhamad, Valencia Romero, Araceli Marroquin, Lorenzo Martinez and Ismael Morales.

The following individuals spoke against the project: Herlinda Fernandez, Mario Rivas, Juliana Chico, Jorge Sanchez and Andy Rodriguez.

8:52:59 PM Mayor Saleh closed the public hearing.

9:09:34 PM It was moved by Councilwoman Alvarez, seconded by Vice Mayor Harber, however no vote was taken.

9:10:27 PM Further discussion ensued among the City Council.

9:22:31 PM It was moved by Councilman Valencia, seconded by Councilwoman Quintana, to continue the item to the meeting of October 26, 2011:

> Consideration of Resolution No. 2011-42 Approving Conditional Use Permit 2011-02 to Allow a Religious Worship and Education Center known as Bell Islamic Center; Location 5232-5250 Gage Avenue, Bell, CA 90201.

9:23:51 PM

Vote:	4-1
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Quintana and Councilman Valencia
No:	Councilwoman Alvarez
Abstained:	None
Absent:	None

Motion Passed.

Council Business

9:24:44 PM It was moved by Councilman Valencia, seconded by Vice Mayor Harber, to continue the following item to the next meeting.

6

Consideration of Special Bell City Council Minutes dated July 29, 2011, Special Bell City Council Minutes dated August 8, 2011 and Bell City Council, Bell Community Redevelopment Agency and Bell Community Housing Authority Minutes dated August 10, 2011.

9:29:28 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

9:34:06 PM It was moved by Councilwoman Quintana, seconded by Vice Mayor Harber, to approve the Warrants dated September 14-28, 2011.

9:34:42 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

It was moved by Councilwoman Quintana, seconded by Councilman Valencia, to approve Resolution No. 2011-41 Setting the Dates and Times of the City Council's Regular Meetings from October through December 2011, closed session at 6:30 PM and open session at 7:30 PM.

9:42:08 PM

Vote:	3-2
Yes:	Vice Mayor Harber, Councilwoman Quintana and Councilman Valencia
No:	Mayor Saleh and Councilwoman Alvarez
Abstained:	None
Absent:	None

Motion Passed.

9:51:05 PM It was moved by Councilwoman Quintana, seconded by Councilman Valencia, to approve the Bid Results for Street Rehabilitation Projects at Various Locations and Resolution No. 2011-40 Appropriation Funding and Budget Amendment for Fiscal Year 2011-2012; Adopt Resolution No. 2011-40 and authorize the Interim CAO to enter into a contract with Hardy & Harper, Inc.

9:51:43 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

10:13:09 PM It was moved by Councilman Valencia, seconded by Vice Mayor Harber, to approve the agreement with a Financial Advisor with Reference to Bond Workout Plan and authorize the Mayor to execute upon approval as to form by the City Attorney.

10:13:46 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

10:13:59 PM Discussion ensued among the City Council regarding the extension of Solid Waste Collection Franchise and Competitive Franchise Selection Process.

10:31:14 PM It was moved by Councilwoman Quintana, seconded by Councilman Valencia, to approve an extension of the franchise with Consolidated Disposal through June 30, 2012 and authorize the ICAO to conduct a competitive selection process for a new franchise.

10:31:24 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

10:47:57 PM It was moved by Councilman Valencia, seconded by Vice Mayor Harber, to approve the Remittance Agreement per AB 27 between the City and Bell Community Redevelopment Agency and authorize the Mayor to execute upon approval as to form by the City Attorney.

10:48:28 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

It was moved by Vice Mayor Harber, seconded by Councilman Valencia, to approve Resolution No. 2011-43 committing the City to Adoption of Ordinance Complying with AB 27 Before November 1, 2011.

10:49:12 PM

Vote:	4-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez and Councilman Valencia
No:	None
Abstained:	Councilwoman Quintana
Absent:	None

Motion Unanimously Passed.

It was moved by Councilman Valencia, seconded by Vice Mayor Harber, to receive and file Preliminary Draft Recognized Obligation Payment Schedule (PDROPS).

10:50:34 PM

Vote:	4-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez and Councilman Valencia
No:	None
Abstained:	Councilwoman Quintana
Absent:	None

Motion Unanimously Passed.

Community Redevelopment Agency

It was moved by Agency Member Valencia, seconded by Vice Chair Harber, to approve Resolution No. 2011-44 and Remittance Agreement per AB 27 Between the City and Bell Community Redevelopment Agency and authorize the Chair to execute upon approval as to form by the Agency Counsel.

10:51:51 PM

Vote:	4-0
Yes:	Chair Saleh, Vice Chair Harber, Agency Member Alvarez and Agency Member Valencia
No:	None
Abstained:	Agency Member Quintana
Absent:	None

Motion Unanimously Passed.

It was moved by Agency Member Valencia, seconded by Vice Chair Harber, to receive and file Preliminary Draft Recognized Obligation Payment Schedule (PDROPS).

10:52:15 PM

Vote:	4-1
Yes:	Chair Saleh, Vice Chair Harber, Agency Member Alvarez and Agency Member Valencia
No:	Agency Member Quintana
Abstained:	None
Absent:	None

Motion Passed.

Community Housing Authority

10:52:20 PM It was moved by Commissioner Valencia, seconded by Vice Chair Harber, to approve the Warrants dated September 14-28, 2011.

10:53:50 PM

Vote:	5-0
Yes:	Chair Saleh, Vice Chair Harber, Commissioner Alvarez, Commissioner Quintana and Commissioner Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

Communications From The Public

10:54:09 PM The following individual spoke during communications from the public: Miguel Contreras.

11:00:29 PM City Council recessed.

11:14:20 PM City Council reconvened to open session.

11:14:57 PM Communications from the public continued. The following individuals spoke during communications from the public: Merly Alejandre, Jose Moreno, Lydia Hernandez and Lorenzo Martinez.

Mayor and City Council Communications

11:40:26 PM Councilman Valencia requested staff to look into the property maintenance on Walker and Florence. He also expressed concern about the parking on Orchard and Gage and the increase on the water rate.

11:43:51 PM Interim CAO Croce informed the Council that he met with residents and Golden State Water Company and stated that a community meeting will be held on Tuesday, October 4, 2011 at 6:30 PM at the Community Center.

11:46:10 PM Councilwoman Alvarez, would like the representatives from Golden State Water Company to address the notices that are issued when increases are made.

11:48:25 PM Councilwoman Quintana requested a meeting with Edison regarding the apparatus.

Adjournment

11:51:02 PM City Council meeting adjourned in memory of Jo Shoup and adjourned to closed session at 12:00 PM Thursday, September 29, 2011.

City Council reconvened to closed session at 12:03 PM, Thursday, September 29, 2011.

City Council reconvened to open session and adjourned meeting at 2:56 PM.

APPROVED THIS 11th DAY OF JANUARY 2012.

Ali Saleh
Mayor

ATTEST:

Rebecca Valdez, CMC
City Clerk

I, Rebecca Valdez, City Clerk of the City of Bell, California, do hereby certify that the foregoing minutes were approved by the City Council of the City of Bell at a regular meeting held on this 11th day of January 2012 by the following vote:

AYES:

NAES:

ABSTAIN:

ABSENT:

Rebecca Valdez, CMC
City Clerk

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

October 12, 2011
6:30 P.M. Closed Session
7:30 P.M. Open Session

Bell Community Center
6250 Pine Avenue

Meeting was call to order by Mayor Saleh at 6:36:10 PM.

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

6:37:06 PM

Present:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez and Councilwoman Quintana
Absent:	None
Also Present:	Interim Chief Administrative Officer Croce, City Attorney Aleshire, City Clerk Valdez, City Engineer Alvarado and Captain Miranda

Communications From The Public on Closed Session Items

None.

Closed Session

6:37:08 PM The City Council and the related Authorities and Agencies recessed to a closed session to confer with legal counsel regarding the following matters:

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Sipple et al v. City of Alameda et al*; Complaint Filed By New Cingular Wireless For Refund of Utility User's Taxes.

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Granite State Insurance co. v. City of Bell*; LASC CASE NO. 10C02353.

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Ismael Rivera, An Individual v. Albert Neesan, An Individual, Arthur Neesan, An Individual; Robert Shaw-Will, An Individual; The Redevelopment Agency Of The City Of Bell*; LASC CASE NO. BC059199.

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *David Mango v. City of Maywood*; U.S. District Court Case No. CV 11-05641 GW (FFMX).

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Olivia Camargo v. City of Bell*; L.A.S.C. Case No. 11C00168

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 0457-JHN (M__ X)

CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION; Initiation of litigation pursuant to Section 54956.9: (3).

7:44:29 PM City Council reconvened to open session.

7:44:34 PM City Attorney Aleshire reported the following out of closed session: the Sipple matter was not dsicusssed; the Granite State Insurance matter, Rivera matter and Camargo matter were discussed no reportable action taken; the Mango matter and Ramirez matter were not discussed. The items not discussed were continue to future meeting.

7:45:32 PM Pledge of Allegiance led by Alejandra A. Martinez.

Presentations

Proclamation Proclaiming October 28, 2011 as "National Immigrant's Day".

It was moved by Councilman Valencia, seconded by Vice Mayor Harber, to approve the Proclamation with California Association of School Health Educators supporting and proclaiming October 16-22, 2011 as National Health Education Week.

Vote:	4-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez and Councilman Valencia
No:	None
Abstained:	Councilwoman Quintana
Absent:	None

Motion Passed.

Presentation to Bell High School student Jeanett Garcia and Nimitz Middle School student Alejandra A. Martinez for winning first place for the 2011 Latino Heritage Month contest.

Communications From The Public on Agenda Items Only

7:53:51 PM The following individuals spoke during communications from the public: Carmen Bella, Nora Saenz, Sandy Orozco, Alfred Areyan, Jose Moreno, Marcos Oliva, Fernando Chavarria and Julia Juarez.

Council Business

8:34:47 PM It was moved by Councilwoman Alvarez, seconded by Vice Mayor Harber, to approve the appointment of Steven R. Belcher as Interim Chief of Police for the City of Bell; and approved the employment contract with Steven R. Belcher to retain his services at the rate of $13,000 per month with no employee benefits.

8:35:28 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

8:37:29 PM It was moved by Vice Mayor Harber, seconded by Councilwoman Quintana, to approve the Special Bell City Council Minutes dated July 29, 2011, Special Bell City Council Minutes dated August 8, 2011 and Bell City Council, Bell Community Redevelopment Agency and Bell Community Housing Authority Minutes dated August 10, 2011.

8:38:08 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

8:39:03 PM It was moved by Councilwoman Quintana, seconded by Councilwoman Alvarez, to approved the General Warrants, Community Redevelopment Warrants and Community Housing Authority Warrants dated September 28, 2011 through October 12, 2011.

8:39:34 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

8:41:43 PM It was moved by Councilwoman Alvarez, seconded by Vice Mayor Harber, to approve the Agreement with the Los Angeles County Metropolitan Transportation (LACMTA) for use of Local Return Capital Reserves.

8:42:10 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

8:44:53 PM Discussion ensued among the City Council regarding the agreement with West Coast Arborist.

8:51:39 PM The following item was continued to the October 26, 2011 meeting:

> Consideration of Extension of Services Agreement for West Coast Arborists, Inc. from July 1-June 30, 2012

8:58:22 PM It was moved by Councilwoman Alvarez, seconded by Councilwoman Quintana, to approve the Extension of Services Agreement for Environmental Services (NPDES) National Pollutant Discharge Elimination System to Public Engineering Services from July 1-June 30, 2012.

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia

No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

The following item was continued to the next Council meeting :

Consideration of an ordinance and accompanying urgency measure to commit the City of Bell to annual remittances to the County Auditor-Controller in compliance with ABX1 27.

9:14:00 PM It was moved by Mayor Saleh, seconded by Councilman Valencia, to move the following item to the next meeting:

Approval of Conflict Waiver for the Attorney General Litigation *People of the State of California v. Robert Rizzo, et al.* Case No.: Los Angeles County Superior Court, BC445497.

9:16:15 PM

Vote:	3-2
Yes:	Mayor Saleh, Councilwoman Alvarez and Councilman Valencia
No:	Vice Mayor Harber and Councilwoman Quintana
Abstained:	None
Absent:	None

Motion Passed.

Public Hearing of the Planning Commission

9:19:09 PM Carlos Chacon, Assistant City Planner provided the staff report to item 7.01.

9:23:31 PM Discussion ensued among the Planning Commission.

9:42:19 PM Chair Saleh opened the public hearing regarding the approval of Resolution No. 2011-45 Approving Conditional Use Permit No. 2011-04 to Allow a Retail Shoe Store to be Located within an Existing 13,000 Square Foot Front Building and Convert the Existing 4, 680 Square Foot Repair Bays into Retail/Used Car Dealership; Location: 6400 Atlantic Avenue, Bell, CA 90201.

9:42:31 PM The following individuals spoke in favor of the project: Alfred Areyan, Luz Virgen, Jose Moreno, Fernando Chavarria and Robert Moth.

The following individuals spoke against the project: Donna Gannon, Melida Sanchez and Carmen Bella.

9:54:55 PM Chair Saleh closed the public hearing.

9:55:05 PM Furthered discussions ensued among the City Council.

10:03:41 PM It was moved by Commissioner Valencia, seconded by Commissioner Quintana, to approve Resolution No. 2011-45 Approving Conditional Use Permit No. 2011-04 to Allow a Retail Shoe Store to be Located within an Existing 13,000 Square Foot Front Building and Convert the Existing 4, 680 Square Foot Repair Bays into Retail/Used Car Dealership; Location: 6400 Atlantic Avenue, Bell, CA 90201, with the condition to conform building c to building a and b when its further developed.

Vote:	4-1
Yes:	Chair Saleh, Vice Chair Harber, Commissioner Quintana and Commissioner Valencia
No:	Commissioner Alvarez
Abstained:	None
Absent:	None

Motion Passed.

10:12:13 PM Discussion ensued among the Planning Commission.

10:29:14 PM Chair Saleh opened the public regarding the Consideration of Resolution No. 2011-46 Approving Conditional Use Permit No. 2011-05 to Allow Large Recycling Collection Facility to be Located within an Existing 5,018 Square Foot Warehouse and an Attached 1,140 Square Foot Office; Location: 6216 Maywood Avenue, Bell, CA 90201.

10:29:26 PM The following individuals spoke in favor of the project: Marco Rivera and Merly Alejandre.

The following individuals spoke against the project Juan Bautista, Mona Maufet, Sandy Orozco, Alfred Areyan and Ms. Bautista.

10:44:30 PM Chair Saleh closed the public hearing.

10:56:55 PM It was moved by Commissioner Quintana, seconded by Commissioner Valencia, to moved the following item to a month:

> Consideration of Resolution No. 2011-46 Approving Conditional Use Permit No. 2011-05 to Allow Large Recycling Collection Facility to be Located within an Existing 5,018 Square Foot Warehouse and an Attached 1,140 Square Foot Office; Location: 6216 Maywood Avenue, Bell, CA 90201.

Vote:	5-0
Yes:	Chair Saleh, Vice Chair Harber, Commissioner Alvarez, Commissioner Quintana and Commissioner Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

Communications From The Public

11:00:10 PM The following individuals spoke during communications from the public: Alfred Areyan, Jose Moreno, and Sandy Orozco.

Mayor and City Council Communications

11:12:03 PM Councilman Valencia invited the community to a town hall meeting on October 21, 2011 at 7pm regarding the school performance, water rates and taxes, and what direction the city is going at Southland Christian Center.

Adjournment

11:14:11 PM City Council meeting adjourned to special meeting on October 19, 2011 at 7 PM.

APPROVED THIS 11th DAY OF JANUARY 2012.

_____
Ali Saleh
Mayor

ATTEST:

_____
Rebecca Valdez, CMC
City Clerk

I, Rebecca Valdez, City Clerk of the City of Bell, California, do hereby certify that the foregoing minutes were approved by the City Council of the City of Bell at a regular meeting held on this 11th day of January 2012 by the following vote:

AYES:

NAES:

ABSTAIN:

ABSENT:

_____

Rebecca Valdez, CMC
City Clerk

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

October 26, 2011
6:30 P.M. Closed Session
7:30 P.M. Open Session

Bell Community Center
6250 Pine Avenue

Meeting was called to order by Mayor Saleh at 6:33:13 PM.

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

6:33:45 PM

Present:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
Absent:	None
Also Present:	Interim Chief Administrative Officer Croce, City Attorney Aleshire, City Clerk Valdez, City Engineer Alvarado and Captain Miranda

Communications From The Public on Closed Session Items

None.

Closed Session

The City Council and the related Authorities and Agencies recessed to a closed session at 6:34:06 PM to confer with legal counsel regarding the following matters:

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: *Sipple v. Alameda*; LASC BC432270

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

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

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: (8)

Councilman Valencia arrived at 6:43 PM.

7:51 PM City Council reconvened to open session.

City Attorney Aleshire reported the following from closed session: the Sipple v. City of Alemeda matter was not discussed; the Bell v. Best Best & Krieger and Dexia Credit Local v. City of Bell, Bell Public Financing Authority matters were discussed, no reportable action taken; only two matters from anticipated litigation were discussed no reportable action was taken.

Pledge of Allegiance

Pledge of Allegiance led by Peter Quirarte, Bell High School Football Team Captain.

Presentations

Presentation to the Bell High School Football Team for Winning the Mayor's Trophy Against South Gate High School.

Presentation on I-710 Local Advisory Committee.

8:15:48 PM Mayor Saleh informed the community about the special meeting on November 1, 2011.

Communications From The Public on Agenda Items Only

8:16:48 PM The following individuals spoke during communications from the public: Ismael Morales, Carmen Bella, Sandy Orozco and Fernando Chavarria.

Council Business

8:33:57 PM It was moved by Councilwoman Quintana, seconded by Councilman Valencia, to approve the Special Bell City Council Minutes and Bell City Council and Bell Community Housing Authority Minutes dated August 24, 2011.

8:34:33 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

8:38:16 PM It was moved by Councilwoman Alvarez, seconded by Vice Mayor Harber, to approve the General Warrants, Community Redevelopment Warrants and Community Housing Authority Warrants dated October 12, 2011 through October 26, 2011.

8:38:44 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

8:42:20 PM Discussion ensued among the City Council.

8:50:52 PM It was moved by Vice Mayor Harber, seconded by Councilwoman Alvarez, to approve the Extension of Services Agreement for West Coast Arborists, Inc. from July 1-June 30, 2012.

8:51:24 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

9:06:32 PM It was moved by Councilman Valencia, seconded by Councilwoman Quintana, to approve Ordinance No. 1181 and Accompanying Urgency Measure to Commit the City of Bell to Annual Remittances to the County Auditor-Controller in Compliance with ABX1 27.

9:07:08 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

9:08:45 PM Discussion ensued among the City Council regarding the Notice of Completion for the Florence Avenue Rehabilitaiton Project from Wilcox and Walker Avenue.

9:10:08 PM It was moved by Vice Mayor Harber, seconded by Councilwoman Alvarez, to approve the Notice of Completion for the Florence Avenue Rehabilitation Project from Wilcox Avenue to Walker Avenue, accept all road rehabilitation work performed under this contract with Sully Miller and file the Notice of Completion.

9:10:48 PM

Vote:	5-0

Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

9:18:25 PM It was moved by Councilwoman Alvarez, seconded by Councilwoman Quintana, approved and authorized the Interim Chief Administrative Officer to execute an agreement with CPS (Cooperative Personnel Services) not to exceed $34,000 to conduct a Classification and Compensation study for the City of Bell.

9:19:12 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

9:27:08 PM It was moved by Councilman Valencia, seconded by Vice Mayor Harber, to Approve an Appropriations Adjustment recognizing $57,482.32 in 2007 General Obligation Bond Proceeds (account no. 50-103) and allocating the funds to Veterans' Memorial Park for playground surface repairs (account no. 50-521-1006-0925).

9:27:47 PM

Vote:	5-0
Yes:	Mayor Saleh, Vice Mayor Harber, Councilwoman Alvarez, Councilwoman Quintana and Councilman Valencia
No:	None
Abstained:	None
Absent:	None

Motion Unanimously Passed.

Planning Commission

9:53:42 PM It was moved by Councilwoman Alvarez, seconded by Vice Mayor Harber, to approve Resolution No. 2011-42 Approving Conditional Use Permit 2011-02 to Allow a Religious Worship and Education Center known as Bell Islamic Center; Location 5232-5250 Gage Avenue, Bell, CA 90201.

9:54:41 PM

Vote:	3-1
Yes:	Mayor Saleh, Vice Mayor Harber and Councilwoman Alvarez
No:	Councilman Valencia

Abstained: Councilwoman Quintana
Absent: None

Motion Passed.

The following item was moved to the meeting of November 22, 2011:

> Consideration of Resolution No. 2011-47 Approving a Conditional Use Permit No. 2011-06 to Consider a Determination of Public Convenience or Necessity to Allow the Sale for Off-premises Consumption of Beer and Wine at a Proposed Retail Grocery Located within an Existing 4,000 Square Foot Building on an 11,362 Square Foot Lot: Location: 6399 Atlantic Avenue, Bell, CA 90201.

Communications From The Public

9:56:00 PM The following individuals spoke during communications from the public: Alfred Areyan, Carmen Bella and Fernando Chavarria.

Mayor and City Council Communications

10:07:17 PM Councilman Valencia reminded folks that 10/28/11 is immigrants day, thanked the 163 people who showed up to the Residents Club townhall meeting. Thank Assembly Member Cedillo for passing the Dream Act.

10:10:33 PM City Council adjourned to closed session.

10:45:39 PM City Council reconvened to open session.

10:45:47 PM City Attorney Aleshire reported the following out of closed session: the Sipple matter was discussed, no reportable action was taken.

Adjournment

10:46:11 PM City Council meeting adjourned.

APPROVED THIS 11th DAY OF JANUARY 2012.

Ali Saleh
Mayor

ATTEST:

Rebecca Valdez, CMC
City Clerk

I, Rebecca Valdez, City Clerk of the City of Bell, California, do hereby certify that the foregoing minutes were approved by the City Council of the City of Bell at a regular meeting held on this 11th day of January 2012 by the following vote:

AYES:

NAES:

ABSTAIN:

ABSENT:

_____

Rebecca Valdez, CMC
City Clerk

General

Warrants
for

January 11, 2012

26A

HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48914	12/15/11	120101	RELIA-TECH USB PRINT SERVER-BELL P.D. SERVICE CALL-COP PRINTER D.HILL&B.SMITH USER ACTS&EMAIL SERVICE CALL-BELL P.D. INSTALLED USB TO ETHERNET DRVS INSTALLED ACEMANAGER/ACEVIEW HARD DRIVE-BELL P.D. SERVICE CALL SERVICE CALL-BELL P.D. PREPAID MAINT CONTRACT-DEC'11	5,092.19
48915	12/16/11	120101	ELEGANT AFFAIR CATERING CATERING-HOLIDAY LUNCHEON	1,965.98
48916	12/21/11	120101	MEYERS NAVE ATTORNEY LEGAL SVCS-MAY'11 DISCOUNT PER AGREEMENT ATTORNEY LEGAL SVCS-JUN'11 ATTORNEY LEGAL SVCS-JUL'11 ATTORNEY LEGAL SVCS-AUG'11 ATTORNEY LEGAL SVCS-SEP'11 ATTORNEY LEGAL SVCS-JAN-APR'11 ATTORNEY LEGAL SVCS-JAN-APR'11 CITY CLERK MATTERS	250,000.00
48917	12/23/11	120101	WELLS FARGO BANK W.C. ACCT REPLENISH CK#6200-09	2,183.31
48918	12/23/11	120101	FLEET SERVICES GAS CONSUMPTION-10/31-11/29/11 BELL P.D.	7,482.98
48919	12/23/11	120101	ADCRAFT BUSINESS MAIL MAIL HOUSE DISTRIBUTION SVCS	1,498.10
48920	12/23/11	120101	FLATIRON CAPITAL 2011-2012 LIABILITY INSURANCE 6TH INSTALLMENT	23,305.45
TOTAL		7 CHECKS		291,528.01

26B

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48921	01/06/12	1201	VOID VOID-TEST PRINT	0.00
48922	01/06/12	1201	VOID VOID-TEST PRINT	0.00
48923	01/06/12	1201	AT&T TELEPHONE BILLING-11/2-12/1/11 6330 PINE AVE-MTA EQUIPMENT TELEPHONE BILLING-11/2-12/1/11 6330 PINE AVE TELEPHONE BILLING-12/7-1/6/11 BELL P.D. TELEPHONE BILLING-11/7-12/6/11 BELL P.D.	4,017.81
48924	01/06/12	1201	AT&T MOBILITY TELEPHONE BILLING-11/24-12/23 BELL P.D. TELEPHONE BILLING-11/21-12/20 BELL P.D.	1,113.83
48925	01/06/12	1201	AT&T-LONG DISTANCE TELEPHONE BILLING-11/1-12/2/11 LONG DISTANCE-VARIOUS ACCOUNTS	20.67
48926	01/06/12	1201	CALIFORNIA WATER SERVICE WATER BILLING-11/1-12/1/11 RICKBKE & EASTERN WATER BILLING-11/1-12/1/11 BNDNI-AMLAERHT AVE	83.72
48927	01/06/12	1201	THE GAS COMPANY GAS BILLING-11/7-12/9/11 4357 GAGE AVE-SKATE PARK GAS BILLING-11/7-12/9/11 6704 ORCHARD AVE-LB PK GAS BILLING-11/7-12/12/11 MULTIPLE ADDRESSES	591.36
48928	01/06/12	1201	GOLDEN STATE WATER COMPANY WATER BILLING-10/24-11/29/11 4403 GAGE AVE WATER BILLING-10/24-11/29/11 6702 FP ORCHARD AVE WATER BILLING-10/24-11/29/11 6330 PINE AVE WATER BILLING-10/24-11/29/11 3782 GAGE AVE WATER BILLING-10/24-11/29/11 6250 PINE AVE WATER BILLING-10/24-11/29/11 ATLANTIC & GAGE WATER BILLING-10/24-11/29/11	5,979.02

26C

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			6301 CLARKSON WATER BILLING-10/24-11/29/11 4377 GAGE AVE WATER BILLING-10/24-11/29/11 RIVER DR/SOUTHALL LN WATER BILLING-10/24-11/29/11 6526 WILCOX AVE WATER BILLING-10/24-11/29/11 6500 FP WILCOX AVE WATER BILLING-10/24-11/29/11 6707 BEAR AVE WATER BILLING-10/24-11/29/11 6707 IRR BEAR AVE WATER BILLING-10/24-11/29/11 ATLANTIC & BECK	
48929	01/06/12	1201	GOLDEN STATE WATER COMPANY WATER BILLING-10/24-11/29/11 6420 WILCOX AVE WATER BILLING-10/24-11/29/11 4200 GAGE AVE WATER BILLING-10/24-11/29/11 4460 GAGE AVE WATER BILLING-10/24-11/29/11 5234 GAGE AVE WATER BILLING-10/24-11/29/11 FLORENCE AVE & CHANSLOR WATER BILLING-11/21-12/20/11 4400 GAGE AVENUE WATER BILLING-10/24-11/29/11 6330 PINE AVE WATER BILLING-11/22-12/21/11 7006 WALKER AVENUE WATER BILLING-10/21-11/22/11 7006 WALKER AVENUE WATER BILLING-10/20-11/21/11 4400 GAGE AVENUE WATER BILLING-10/24-11/29/11 6707 FP BEAR AVE WATER BILLING-10/24-11/29/11 FLORENCE & WALKER WATER BILLING-10/24-11/29/11 5320 GAGE AVE	2,064.88
48930	01/06/12	1201	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-11/16-12/16 6901 1/2 RIVER DR ELECTRICAL BILLING-10/17-11/16 6901 1/2 RIVER DR ELECTRICAL BILLING-10/24-11/22 5007 FLORENCE PED ELECTRICAL BILLING-11/22-12/22 5007 FLORENCE PED ELETRICAL BILLING-9/30-11/19 VARIOUS STREET LIGHT LOCATIONS	17,361.84

26 D

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			ELECTRICAL BILLING-11/1-12/20 VARIOUS STREET LIGHT LOCATIONS ELECTRICAL BILLING-11/3-12/6 6590 WILCOX PED ELECTRICAL BILLING-11/1-12/1 VARIOUS STREET LIGHT ACCOUNTS ELECTRICAL BILLING-11/15-12/14 6510 CLARKSON AVE ELECTRICAL BILLING-11/15-12/14 6800 OTIS AVE ELECTRICAL BILLING-11/9-12/12 6707 BEAR AVE-LITTLE BEAR PK ELECTRICAL BILLING-11/18-12/19 4357 GAGE AVE	
48931	01/06/12	1201	TELEPACIFIC COMMUNICATIONS TELEPHONE BILLING-12/23-1/22 BELL P.D.	3,782.46
48932	01/06/12	1201	VISION SERVICE PLAN (CA) VISION INS CLAIMS-NOV'11 VISION INS ADMIN FEE-DEC'11	1,066.58
48933	01/06/12	1201	WELLS FARGO BANK W.C. ACCT REPLENISH CK#6233	27,849.38
TOTAL	13 CHECKS			63,931.55

26E

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48934	01/11/12	120102	ADMIN SURE W.C./LIABILITY SVCS-DEC'11	2,520.00
48935	01/11/12	120102	AMERICAN GUARD SERVICES, INC. CROSSING GUARD SVCS-NOV'11	11,011.10
48936	01/11/12	120102	AMERICAN RELIANCE INC. MOBILE PC MAINT-PATROL/BELL PD MOBILE PC MAINT-PATROL/BELL PD MOBILE PC MAINT-PATROL/BELL PD MOBILE PC MAINT-PATROL/BELL PD	2,012.68
48937	01/11/12	120102	YOLANDA ARIAS REFUND-PARKING CIT #100027032	54.00
48938	01/11/12	120102	AZTECA LANDSCAPE LANDSCAPE MAINT-NOV'11 LANDSCAPE MATERIALS	1,720.00
48939	01/11/12	120102	MARTHA BARRAZA REFUND-PARKING CIT #100018538	145.00
48940	01/11/12	120102	DAVID A. BASS CONSULTING SVCS-11/1-12/12/11 QTR FINANCIAL ANALYSIS/REPORT LEGAL COSTS, SPECIAL REQUESTS LEAVE ACCRUAL RVW & ANALYSIS	3,491.25
48941	01/11/12	120102	BELCHER & ASSOCIATES INTERIM CHIEF OF POLICE DEPT 12/1-15/11 INTERIM CHIEF OF POLICE DEPT 12/16-31/11	13,000.00
48942	01/11/12	120102	BELL SERVICE CENTER FLAT SERVICE FEE-NOV'11 VARIOUS REPAIRS-UNIT #363 REPLACED ENGINE MOUNTS REPLACED HEADLIGHTS SEALED BEAMS VARIOUS REPAIRS-UNIT #351 LUBE/OIL/FILTER MOUNT TIRES VARIOUS REPAIRS-UNIT #355 MOUNT TIRES/SIREN/TRANSMISSION LUBE/OIL/FILTER REPLACE FUEL AND FILTER VARIOUS REPAIRS-UNIT #351 REPLACED RADIATOR LUBE/OIL/FILTER VARIOUS REPAIRS-UNIT #356 LUBE/OIL/FILTER REPLACE A/C CONDENSOR TRANSMISSION SERVICE	5,132.62

26F

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			VARIOUS REPAIRS-UNIT #361	
			LUBE/OIL/FILTER, WATER PUMP	
			REAR BRAKE PADS, MOUNT TIRES	
			TRANS CONTROL MODULE-UNIT #363	
			VARIOUS REPAIRS-UNIT #356	
			REPLACE SHOCK ABSORBERS	
			REAR TORQUE ARMS	
			VARIOUS REPAIRS-UNIT #325	
			LUBE/OIL/FILTER, MOUNT TIRES	
			VARIOUS REPAIRS-UNIT #344	
			LUBE/OIL/FILTER	
			FLUSH COOLING SYSTEM	
			VARIOUS REPAIRS-UNIT #337	
			SPEED CONTROL MONITOR	
			LUBE/OIL/FILTER	
			REPLACE BATTERY	
48943	01/11/12	120102	CANNING'S TRUEVALUE HARDWARE	308.47
			P.D. JAIL MISC REPAIRS	
			P.D. JAIL MISC REPAIRS	
			P.D. MAINTENANCE-WIRE BRUSHES	
			SPRAYS/DEODORANTS	
			BELL P.D.-LIGHTBULBS	
48944	01/11/12	120102	LUCIA CASTILLO	428.00
			BALLET INSTRUCTR-11/7-12/21/11	
48945	01/11/12	120102	CHANGE COMMUNITIES	300.00
			CITY CLERK WEBSITE SVCS-NOV'11	
48946	01/11/12	120102	CITY OF INGLEWOOD	2,822.42
			CITATION COLLECTION SVC-OCT'11	
			CITATION COLLECTION SVC-NOV'11	
48947	01/11/12	120102	HAZEL COLLETT	1,825.92
			MEDICAL REIMB-JUL-SEP'11	
			MEDICAL REIMB-OCT-DEC'11	
48948	01/11/12	120102	COMMERCIAL DOOR METAL SYSTEMS	399.00
			FURNISHED & INSTALLED DOOR	
48949	01/11/12	120102	COMSERCO, INC.	1,071.00
			MAINTENANCE BILLING-12/1-31/11	
48950	01/11/12	120102	CONSOLIDATED DISPOSAL	96,389.66
			WASTE/RECYCLING SVCS-NOV'11	
48951	01/11/12	120102	COUNTY OF LOS ANGELES	86,984.00
			LIGHTING DISTRICT-FY 11/12	
48952	01/11/12	120102	ARNE CROCE	14,000.00
			INTERIM CAO SVCS-12/16-31/11	
			INTERIM CAO SVCS-12/1-15/11	
48953	01/11/12	120102	DATAQUICK INFORMATION SYSTEMS	123.00

26G

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			DATA INFORMATION-NOV'11	
48954	01/11/12	120102	DEPARTMENT OF JUSTICE FINGERPRINT SVCS-OCT'11	96.00
48955	01/11/12	120102	VINCENT DIAZ KUNG FU INSTRUCTOR-12/8-15/11	134.40
48956	01/11/12	120102	DIRECTV SATELLITE SVCS-9/22-1/21/12 CITY HALL/BELL P.D.	83.92
48957	01/11/12	120102	DUNN-EDWARDS CORP. PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM 6600 WOODWARD AVE PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE PAINT SUPPLIES-HANDYMAN PROGRM 7014 BEAR AVE	847.69
48958	01/11/12	120102	ENTENMANN-ROVIN CO. BADGES-BELL P.D.	110.38
48959	01/11/12	120102	HILDA ESTRADA INTERPRETATION SVCS-9/14, 9/28, 10/3, 10/12, 10/19, 10/26, 11/1, 11/10, 12/13, 12/14, 12/21	4,804.38
48960	01/11/12	120102	FEDERAL EXPRESS DELIVERY SVCS-10/6 & 10/7 ADMIN DELIVERY SVCS-10/20/11 DELIVERY SVCS-CITY CLERK DELIVERY SVCS-M. PRADO	256.70
48961	01/11/12	120102	ALEJANDRO L. FRANCO SPANISH INTERPRETER-CCM 12/17	200.00
48962	01/11/12	120102	WENDY FRANCO REFUND-EXCURSION 12/16/11	20.00

26 H

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			PALA CASINO	
48963	01/11/12	120102	GALLS SAFETY VEST-R. CARRANZA	587.90
48964	01/11/12	120102	ROBERTO JESSE GARCIA REFUND-PARKING CIT #4044193, 100017989, 100017988, 100017973	798.00
48965	01/11/12	120102	GLENDALE FIRE SYSTEMS, INC. ALARM MONITORING & TESTING JAN-MAR 2012/VETS PARK ALARM MONITORING & TESTING JAN-MAR 2012/CAMP LITTLE BEAR	516.00
48966	01/11/12	120102	MANUEL HERNANDEZ REFUND-PARKING CIT #4045979	100.00
48967	01/11/12	120102	ROSITA LAO HIMAN REFUND-EXCURSION 12/16/11 PALA CASINO	5.00
48968	01/11/12	120102	ICEBERG CONSTRUCTION & MAINT SVCS-4818 BECK AVE	14,855.00
48969	01/11/12	120102	IJSS INC. DBA TONERZONE TONER CARTRIDGE-BELL P.D. TONER CARTRIDGE-BELL P.D.	341.36
48970	01/11/12	120102	INTELESYS COMMUNICATIONS TELEPHONE MAINT-C.H./P.D. TELEPHONE MAINT/REPAIR-C.H.	520.00
48971	01/11/12	120102	THE JARVIS COMPANY 2ND INSTALLATION	2,525.00
48972	01/11/12	120102	JB CONSTRUCTION VARIOUS IMPVMNTS-HOUSING REHAB 4874 GAGE AVE #26-A.CURIEL VARIOUS IMPVMNTS-HOUSING REHAB 4874 GAGE AVE #33-P.SYLVA	14,195.00
48973	01/11/12	120102	ART JIMENEZ SUBSISTENCE-1/24-26/12	30.00
48974	01/11/12	120102	KELDON PAPER COMPANY PAPER-BELL P.D.	862.39
48975	01/11/12	120102	KNN PUBLIC FINANCE WORK-OUT PLAN CONSULTING PROJ#676-12-11	9,843.00
48976	01/11/12	120102	LAC+USC MEDICAL CENTER MED SVC-10/16/11 DR#11-3606 MED SVCS-10/26/11 DR#11-3747	1,130.00

26I

HECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48977	01/11/12	120102	LANDSCAPE STRUCTURES INC. SWINGS CHAIN LINK-VETS PK	120.12
48978	01/11/12	120102	LEAD TECH ENVIRONMENTAL LEAD/ASBESTOS TESTING 5246 E. FLORENCE AVE #119 I. PIMENTEL LEAD/ASBESTOS TESTING 5162 E. FLORENCE AVE #15 A. RODRIGUEZ LEAD CLEARANCE TESTING/LAB FEE 4874 GAGE AVE #23-I. HINOJOS LEAD/ASBESTEOS TESTING 4818 BECK AVE-J. GOMEZ	1,269.00
48979	01/11/12	120102	HELEN MARY LENIU REFUND-PARKING CIT #100020567	145.00
48980	01/11/12	120102	MACARIO LIMON REFUND-EXCURSION 12/16/11 PALA CASINO	10.00
48981	01/11/12	120102	LOS ANGELES COUNTY MTA TAP BUS PASS SALES-SEP'11 TAP BUS PASS SALES-8/1-31/11	14,962.00
48982	01/11/12	120102	LOS ANGELES TIMES RFP AD-GRAFFITI REMOVAL SVCS FY 11/12	2,142.00
48983	01/11/12	120102	MEDINA CONSTRUCTION PLUMBING REPAIRS-6639 FISHBURN SIDEWALK REPAIRS-4200 FLORENCE	5,146.00
48984	01/11/12	120102	MENDOZA CONTRACTING VARIOUS REPAIRS-HOUSING REHAB 5246 FLORENCE #157-M. PONCIANO	8,000.00
48985	01/11/12	120102	ANTHONY MIRANDA SUBSISTENCE-1/24-26/11	30.00
48986	01/11/12	120102	ANAIDES MORALES REFUND-PARKING CIT #4045865	359.00
48987	01/11/12	120102	VICTOR MORENO PD LOSS	651.92
48988	01/11/12	120102	NUNEZ TIRES FRONT WINDOW TINT	135.00
48989	01/11/12	120102	OFSI COPIER LEASE-1/1-31/12 PYT#32 FAX LEASE-1/1-31/12 PYT #7	500.43

26J

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
48990	01/11/12	120102	OCE IMAGISTICS INC. COPIER MAINT/SUPPLIES-OCT'11 COMMUNITY CTR COPIER MAINT/SUPPLIES-OCT'11 LITTLE BEAR PK	103.00
48991	01/11/12	120102	P.W. STEPHENS, INC. ASBESTOS ABTMNT-4818 BECK AVE	350.00
48992	01/11/12	120102	JESUS PADILLA REFUND-PARKING CIT #100023465	230.00
48993	01/11/12	120102	ANNETTE PERETZ MEDICAL PREMIUM REIMB-MAY'10	2,487.60
48994	01/11/12	120102	PMW ASSOCIATES TUITION-2/1-3/12	393.00
48995	01/11/12	120102	PRAXAIR DISTRIBUTION INC EQUIPMENT RENTAL-C.CTR EQUIPMENT RENTAL-C.CTR	73.20
48996	01/11/12	120102	PRO CENTRAL TERMITE CONTROL TERMITE CONTROL-4874 GAGE #26	1,100.00
48997	01/11/12	120102	PUBLIC ENGINEERING SERVICES PROFESSIONAL SVCS-NOV'11 NPDES CLEAN WATER ACT	3,393.00
48998	01/11/12	120102	PUBLIC SAFETY VOLUNTEER TUITION-1/24-26/12	1,300.00
48999	01/11/12	120102	QUICK DISPENSE MISC SUPPLIES-C.H. MISC SUPPLIES-BELL P.D. MISC SUPPLIES-C.H. MISC SUPPLIES-C.H. MISC SUPPLIES-BELL P.D.	840.18
49000	01/11/12	120102	QUILL CORPORATION OFFICE SUPPLIES-PARKS/REC OFFICE SUPPLIES-PARKS/REC OFFICE SUPPLIES-PARKS/REC OFFICE SUPPLIES-BELL P.D.	1,713.25
49001	01/11/12	120102	RELIA-TECH CASE FAN-BELL P.D. PREPAID MAINT CONTRACT-JAN'12	2,422.13
49002	01/11/12	120102	ALMA RICO SUBSISTENCE-1/24-26/12	30.00
49003	01/11/12	120102	JOSEFINA RIVAS AEROBICS INSTRUCTOR-11/7-12/15	856.00

26K

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			VETS PK & LB PK	
49004	01/11/12	120102	RAUL RIVERA REFUND-PARKING CIT #100020133	145.00
49005	01/11/12	120102	MARIA ROACHO SUBSISTENCE-1/24-26/12	30.00
49006	01/11/12	120102	RODRIGO RODARTE SUBSISTENCE-1/9-11/12	30.00
49007	01/11/12	120102	ROSE CLEANERS & LAUNDRY BLANKET/TOWEL CLEANING SVCS BELL P.D.-NOV'11 BLANKET/TOWEL CLEANING SVCS BELL P.D.-NOV'11 BLANKET/TOWEL CLEANING SVCS BELL P.D.-NOV'11 BLANKET/TOWEL CLEANING SVCS BELL P.D.-NOV'11 BLANKET/TOWEL CLEANING SVCS BELL P.D.-NOV'11	154.00
49008	01/11/12	120102	RSCC ENGINEERING, INC ENGINEERING SVCS-11/8-23/11 VARIOUS PROJECTS ENGINEERING SVCS-DEC'11 ENGINEERING SVCS-11/24-12/19 VARIOUS PROJECTS	31,070.00
49009	01/11/12	120102	ANGELA RUIZ SUBSISTENCE-2/1-3/12	50.00
49010	01/11/12	120102	MARISOL SANCHEZ REFUND-PARKING CIT #100026686	56.50
49011	01/11/12	120102	SIRCHIE FINGER PRINT LAB INC. MISC SUPPLIES-BELL P.D.	593.06
49012	01/11/12	120102	SPECIAL SERVICES GROUP, LLC VEHICLE GPS TRACKER-BELL P.D.	3,320.63
49013	01/11/12	120102	STATEWIDE TRANSCRIPTION SVCS TRANSCRIPTION SVCS-2011-09 TRANSCRIPTION SVCS-VARIOUS	324.50
49014	01/11/12	120102	SULLY-MILLER CONTRACTING CO. PROGRESS PAYMENT #4 FLORENCE A/C OVERLAY PROJ	27,147.83
49015	01/11/12	120102	SWRCB ACCOUNTING OFFICE ANNUAL PERMIT-7/1/11-6/30/12 ANNUAL PERMIT-7/1/11-6/30/12	13,652.00
49016	01/11/12	120102	TOM GIBBY	800.00

26L

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			BACKGROUND INVEST-N. MARQUEZ	
49017	01/11/12	120102	LETICIA TORRES REFUND-PARKING CIT #100026717	56.50
49018	01/11/12	120102	TOSHIBA AMERICA BUSINESS SOLUT COPIER LEASE-JAN'12 C.H.	391.50
49019	01/11/12	120102	TRIANGLE SPORTS, INC SOCCER SUPPLIES BASEBALL SUPPLIES	6,850.93
49020	01/11/12	120102	UNDERGROUND SERVICE ALERT UNDERGROUND FAX NOTICES	51.00
49021	01/11/12	120102	UNIFIED TRANSLATION SERVICES WRITTEN TRANSLATIONS COMMUNITY BRIEF 12/13 ANUAL BUDGET SURVEY 11/22/11 C.MTG SUMMARY INTERPRETING SVCS-CCM 12/14/11	758.90
49022	01/11/12	120102	WELLS LOCK & KEY 4 KEYS-BELL P.D. 3 KEYS-BELL P.D. 2 KEYS-BELL P.D.	17.50
49023	01/11/12	120102	WEST COAST ARBORISTS, INC. TREE MAINT SVCS-11/17-28/11	12,500.00
49024	01/11/12	120102	YUHL/STONER/CARR LLP LEGAL SVCS-LITIGATION 8/16-9/16/11 LEGAL SVCS-LITIGATION 9/6-28 LEGAL SVCS-LITIGATION 10/3-31 LEGAL SVCS-LITIGATION 8/31-10/25/11	39,873.03
TOTAL	91 CHECKS			483,234.95
*W0000650	12/14/11	120103	CITY OF BELL PAYROLL FUND FICA AND MEDI TAXES -12/9/11	10,020.58
W0000651	12/15/11	120103	CAL-PUBLIC EMPLOYEE RETIREMENT RTRMNT PAY-12/9/11 (12-2011-3)	63,504.67
W0000652	12/20/11	120103	CITY OF BELL PAYROLL FUND PAYROL DEPOSIT OF 12/23/11	240,000.00
W0000653	12/27/11	120103	CITY OF BELL PAYROLL FUND FICA AND MEDI TAXES-12/23/11	10,468.42
W0000654	01/03/12	120104	CAL-PUBLIC EMPLOYEE RETIREMENT RTRMNT PAY-12/23/11(12-2011-4)	59,856.47

26M

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
W0000655	01/05/12	120104	CITY OF BELL PAYROLL FUND PAYROLL DEPOSIT FOR -1/6/12	291,206.01
W0000656	01/06/12	120104	CITY OF BELL PAYROLL FUND FICA AND MEDI TAXES-1/6/12	14,807.23
W0000657	01/06/12	120104	PUBLIC EMPLOYEES' RETIREMENT HEALTH PREMIUM JAN 2012	108,276.42
TOTAL	8 WIRES			798,139.80
TOTAL				1,281,374.75

26N

BCHA - Bell Community Housing Authority

Warrants for

January 11, 2012

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
1661	01/06/12	120121	VOID VOID-TEST PRINT	0.00
1662	01/06/12	120121	VOID VOID-TEST PRINT	0.00
1663	01/06/12	120121	THE GAS COMPANY GAS BILLING-11/7-12/9/11 6633 PINE AVE-BCHA GAS BILLING-11/7-12/9/11 4209 BELL AVE-BCHA	32.44
1664	01/06/12	120121	GOLDEN STATE WATER COMPANY WATER BILLING-10/24-11/23/11 6419 PROSPECT AVE-BCHA WATER BILLING-10/25-11/28/11 6327 PINE AVE-BCHA WATER BILLING-10/20-11/21/11 4207 BELL AVE WATER BILLING-10/20-11/21/11 6712-18 OTIS AVE WATER BILLING-10/20-11/21/11 4416 GAGE AVE WATER BILLING-10/20-11/21/11 6633 LAUNDRY PINE AVE WATER BILLING-11/21-12/20/11 4207 BELL AVE WATER BILLING-11/21-12/20/11 6633 LAUNDRY PINE AVE WATER BILLING-11/21-12/20/11 4416 GAGE AVE	1,136.13
1665	01/06/12	120121	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-11/19-12/20 6304 KING AVE ELECTRICAL BILLING-11/30-12/16 5107 FILMORE ST-BMHP	33.32
1666	01/06/12	120121	SOUTHERN CALIFORNIA EDISON ELECTRICAL BILLING-11/15-12/15 6633 PINE AVE	41.07
1667	01/06/12	120131	AT&T TELEPHONE BILLING-11/4-12/3/11 FLORENCE VILLAGE MHP TELEPHONE BILLING-11/4-12/3/11 BELL MOBILE HOME PARK	292.42
1668	01/06/12	120131	CONSOLIDATED DISPOSAL SRVS#902 WASTE/RECYCLING SVCS-DEC'11 4874 GAGE AVE-BMHP WASTE/RECYCLING SVCS-DEC'11 5162 FLORENCE AVE-FVMHP WASTE/RECYCLING SVCS-DEC'11	5,971.38

26P

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			5246 FLORENCE AVE-FVMHP	
1669	01/06/12	120131	THE GAS COMPANY	6,122.30
			GAS BILLING-8/12-9/13/11	
			5246 FLORENCE AVE-FVMHP	
			GAS BILLING-11/8-12/12/11	
			5246 FLORENCE AVE-FVMHP	
			GAS BILLING-11/8-12/12/11	
			5162 FLORENCE AVE-FVMHP	
			GAS BILLING-11/7-12/9/11	
			6503 WILCOX AVE-BMHP	
			GAS BILLING-11/4-12/8/11	
			4874 GAGE AVE-BMHP	
1670	01/06/12	120131	GOLDEN STATE WATER COMPANY	190.67
			WATER BILLING-11/22-12/21/11	
			4874 GAGE AVE-BMHP	
1671	01/06/12	120131	SOUTHERN CALIFORNIA EDISON	7,885.33
			ELECTRICAL BILLING-11/3-12/3	
			4874 GAGE AVE-BMHP	
			ELECTRICAL BILLING-11/3-12/3	
			4874 GAGE AVE-BMHP	
			ELECTRICAL BILLING-10/29-11/30	
			5162 FLORENCE AVE-FVMHP	
			ELECTRICAL BILLING-11/30-12/30	
			5162 FLORENCE AVE-FVMHP	
1672	01/06/12	120131	SOUTHERN CALIFORNIA EDISON	10,743.30
			ELECTRICAL BILLING-8/27-12/1	
			5162 FLORENCE AVE-FVMHP	
1673	01/11/12	120132	FIRST CHOICE	265.57
			PURIFIED WATER-FVMHP	
			MISC SUPPLIES-BMHP	
			QTR WATER COOLER RENTAL-FVMHP	
1674	01/11/12	120132	G.T.CONSTRUCTION & LANDSCAPING	4,170.00
			GARDENING SERVICE-NOV'11	
			5162 FLORENCE AVE-FVMHP	
			GARDENING SVCS-DEC'11	
			4874 GAGE AVE-BMHP	
			GARDENING SVCS-DEC'11	
			5162 FLORENCE AVE-FVMHP	
1675	01/11/12	120132	LOS ANGELES TIMES	945.00
			CLASSIFIED ADVERTISING-BMHP	
			CLASSIFIED ADVERTISING-FVMHP	
			CLASSIFIED ADVERTISING-FVMHP	
1676	01/11/12	120132	MEDINA CONSTRUCTION	3,545.00
			ELECTRICAL REPAIRS-FVMHP	
1677	01/11/12	120132	METERMAN SERVICES, INC	431.71
			METER READING-NOV'11	

26Q

CHECK NO	DATE	BATCH	VENDOR/DESCRIPTION	AMOUNT
			5162 FLORENCE AVE-FVMHP	
1678	01/11/12	120132	CHRISTINA PENA PETTY CASH REIMB-BCHA	121.00
1679	01/11/12	120132	JOSE L. VENEGAS REFUND-CLUBHOUSE DEPOSIT	25.00
TOTAL		19 CHECKS		41,951.64

26R

City of Bell
Agenda Report

DATE: January 11, 2012

TO: Mayor and Members of the City Council

FROM: Vernon Ficklin, Community Services Consultant
Debra Kurita, Interim Community Services Director

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Dial A Ride Public Transportation Request for Proposal

RECOMMENDATION:

Approve the release of a Request for Proposal for Dial-A-Ride Public Transportation Services

BACKGROUND AND DISCUSSION:

The City of Bell has provided Dial-A-Ride Advanced Reservation transportation services for it residents since 1996. These services are currently being provided by the Oldtimers Foundation on a month to month basis. On November 1, 2011 staff presented a report to the City Council providing a comparison of services with the adjacent communities, the costs of the Dial-A-Ride Program, current ridership levels reported by the provider, and several options that the City might pursue. (See Exhibit A)

At that meeting, the Mayor and City Council discussed the options and provided direction to staff to prepare a Request for Proposal (RFP) for the Dial-A-Ride Services for the Senior (age 60 and above) and disabled population. The Mayor and City Council also directed staff to explore the opportunities for providing transportation for the general population through a coordinated fixed route service with adjacent cities. To that end, staff has initiated contact with transit system management from the adjacent communities and will be organizing an inter-city meeting to discuss the opportunities for shared fixed-route services.

A public information and input meeting regarding the Dial-A-Ride Transportation Program was held on January 4, 2012. The meeting was designed to disseminate information about the program and RFP process and solicit public input. During this meeting, staff presented a report outlining the history of the program, the major components of the Dial-A-Ride Program, the requirements that a potential provider must meet, and the criteria that would be used in selecting the provider. The public was then invited to voice their concerns, suggestions, ideas and questions regarding the proposed service and corresponding Request for Proposal.

The meeting was attended by 21 people, six of whom provided input during the session. Two of the public speakers expressed a need for general public transportation and the transportation of school children. The same two members of the public also voiced concerns regarding long wait times and the general lack of customer service from the current provider. Two other members

also spoke to the need of having a strong reporting and monitoring system that generates reports regarding the number of complaints and how they are resolved. One suggestion was to provide rider comment cards on the bus to facilitate customer feedback regarding the service. The need to have accurate and timely reporting regarding the number of riders; to provide reliable and on-time service; and to assure high quality, cost effective transportation was also mentioned. There was also a concern regarding ensuring that the City receive adequate compensation or the return of the buses that are owned by the City. In summary, the public's input revolved around ensuring a high level of customer service, establishing mechanisms to ensure accountability and proper reporting, and providing services with a fair and equitable approach.

The proposed RFP for Dial-A-Ride Transportation Services calls for proposals for the provision of advanced reservation Dial A Ride services to serve the residents of the City of Bell that are 60 years old or greater and/or who are disabled of any age. It also outlines the qualifications that the provider must have, legal and operating conditions that must be met, and the standards of services that will apply. The RFP includes provisions that establish response time windows for pick-up, driver training, and the measurement and monitoring of customer satisfaction. Reporting requirements are also included to allow the City of Bell to monitor the transportation service being provided.

In order to make the best business decision, the RFP contains two bid options: one asks for bids for the cost of the service with the contractor providing the vehicles, the second asks for the cost of program utilizing the vehicles currently owned by the City. By having the information on the difference of costs and services provided by these two options, the City will be able to determine the most cost effective vehicle mix for the provision of the Dial-A-Ride service.

Upon approval by the Mayor and City Council, the RFP schedule will be as follows:

Release of RFP	January 16, 2012
Completed Proposals Due	March 9, 2012
Council Consideration of Award	April 11, 2012
Anticipated Beginning of Service	May, 2012

FINANCIAL IMPACT

The funding for the Dial-A-Ride program is appropriated from the City's allocation from the County-wide Proposition A and Proposition C sales taxes. These Local Agency Funds, which are provided to cities on a per capita basis, are restricted to supporting transit related programs and projects with an emphasis on meeting the needs of the aged and disabled population. The current budget allocates $ 384,000 of Proposition A funds for the operation of Para transit Dial-A-Ride Program. This amount is less than the historical amounts the City of Bell has expended for transportation services, $448,000 in FY 2009-10 and $450.000 in FY 2010-11. In the past, the City has supplemented the Proposition A funds with Proposition C Sales Tax Funds that are less restrictive and can be used for other transit related programs such as street repair and reconstruction. Staff anticipates that the cost of new Dial-A-Ride service serving only the

population 60 years of age or older and the disabled will be less than the historical costs; the actual costs will be determined through the award of the bid.

In addition to the costs of service contract, significant staff time will need to be dedicated to the monitoring of the service to assure compliance with the provisions and standards established in the Request for Proposal. It is estimated that this may require between 15% to 20% of a staff person's time. This time may decrease after the initial start up period as the reporting and the flow of information from the provider is established to meet the City needs.

Attachment A November 1, 2011 Agenda Report
Attachment B Request for Proposal for Dial A Ride Transportation Services

Exhibit A

City of Bell
Agenda Report

DATE: November 1, 2011

TO: Mayor and Council Members

FROM: Vernon Ficklin

APPROVED BY:_____
Arne Croce
Interim Chief Administrative Officer

SUBJECT: Status Report Para-transit Request for Proposals Process

RECOMMENDATION:

Discuss the services options for the Para-transit Program and provide direction to staff.

BACKGROUND:

Currently the City of Bell funds a Dial-A-Ride program that provides curb-to-curb transportation services to all of its residents for free. This program provides direct service to destinations throughout the City of Bell as well as designated satellite points, such as hospitals, within a 7 to 9 mile radius.

Additionally, a sub-regional program, operated under a Memorandum of Understanding the Metropolitan Transportation Authority and the City of Huntington Park, provides transit services to Seniors, defined as individuals over 60, and Disabled persons. Under this coordinated program, Seniors and the Disabled enjoy a service area that includes the cities of Bell, South Gate and Huntington Park, as well as the designated satellite points.

This transit service is provided through a contractor, the Oldtimers Foundation (OTF). The City originally contracted with OTF in 1996. The City Council cancelled this contract in July 2011 and initiated a Request for Proposals (RFP) process to select a provider for a new contract. While that process is being completed, the program has been operating through a month-by-month agreement with OTF.

The City expended $448,000 in FY 2009-2010 and $450,000 in FY 2010-2011 for this Para-transit program. The current budget allocates $384,000 for Para-transit operations. The funding for this program is appropriated from the City's allocation from the County-wide Proposition A and Proposition C sales taxes. These Local Agency Funds, which are provided to cities on a per capita basis, are restricted to supporting transit related programs and projects.

Passenger Count: Table A identifies the passenger counts for the City of Bell's transit services over the last two fiscal years.

TABLE A: CITY OF BELL PARA-TRANSIT PROGRAM PASSENGER COUNTS

GROUP	FY 2009/10	FY 2010/11
Disabled	2,831	3,180
Seniors	8,530	8,452
General Public	14,156	15,410
Total	25,516	27,102

TRANSIT SERVICE COMPARISONS

Staff conducted a telephone survey of the cities adjacent to the City of Bell, including Bell Gardens, Cudahy, Huntington Park and Maywood, to provide the Council with reference information on transit services. All of these cities provide transit services to their residents. The three main categories of services are: a Dial-A-Ride service, fixed route services, and specially defined services that are unique to each community.

Dial-A-Ride Program: The City of Bell and adjacent cities all provide curb-to-curb, or Dial-A-Ride services. The survey data revealed that some cities limit this service to the Senior and Disabled populations.

There are two methods by which cities are charged by the contractors for providing this service: the service hour which is calculated from depot to depot, or the revenue hour which is calculated from the time the first passenger is picked up to the time the last passenger is dropped off. Table B. summarizes the comparison data for the Dial-A-Ride services.

TABLE B: DIAL-A-RIDE PROGRAMS

	BELL	BELL GARDENS	CUDAHY	HUNTINGTON PARK	MAYWOOD
Passengers:	27,100	1,500	Not Reported	7,450	37,344
Cost Basis: Cost:	Service Hour $38.50	Revenue Hour $47.48	Service Hour $48.50	Revenue Hour $34.00	Service Hour $44.10 (1)
Fares:	Free for All Users	Seniors and Disabled Only - Free	Not Reported	Seniors and Disabled Only - Free	$1.00 Seniors and Disabled Free
Provider:	Oldtimers Foundation	Parking Company of America, INC	Oldtimers Foundation	Oldtimers Foundation	Diversified Transportation LLC/Techtrans

(1) City pays cost of gas above $3.00 per gallon

Fixed Route Program: The cities of Bell Gardens, Cudahy, Huntington Park, and Maywood provide their residents with fixed route transportation services. The detailed data of these programs is outlined in Table C.

TABLE C: FIXED ROUTE PROGRAMS

	BELL	BELL GARDENS	CUDAHY	HUNTINGTON PARK	MAYWOOD
Passengers	No Service	90,000	Not Reported	90,000	52,140
Cost Basis: Cost:	No Service No Service	Revenue Hour $47.48	Service Hour $48.50	Revenue Hour $43.50	Service Hour $27.95(1)
Fares:	No Service	$0.25/$0.50	Free	Not Reported	Free
Provider:	No Service	Parking Company of America, INC	Oldtimers Foundation	Oldtimers Foundation	Diversfied Transportation LLC/Techtrans

(1) Labor only - City pays all other costs.

Specially Defined Routes and Services: The cities of Bell, Bell Gardens, Huntington Park, and Maywood, also provide additional services, including special senior shuttles and fixed route segments not displayed in the other tables. The information regarding these services is summarized in Table D.

TABLE D: SPECIALLY DEFINED ROUTES AND SERVICES:

	BELL	BELL GARDENS	CUDAHY	HUNTINGTON PARK	MAYWOOD
Service	Event Senior Shuttle	Senior Shuttle to Senior Center	Not Reported	Pacific Blvd Fixed Route Shuttle	Senior Out of Town Bus
Passengers:	Unknown			28,000	2,860
Cost Basis: Cost:	Service Hour: $38.50	Service Hour $26.26 (1)		Revenue Hours: $43.42	Service Hour $27.95 (1)
Fare:	Free	Free		Free	Free to Registered Seniors > 62
Provider:	Oldtimers Foundation	Parking Company of America, INC	Oldtimers Foundation	Oldtimers Foundation	Diversified Transportation LLC/Techtrans

(1) Labor only - City pays other costs.

GENERAL COMMENTS REGARDING THE SURVEY:

Based on the data provided by the other cities in response to the telephone survey and the information available in the files of the City of Bell:

- The service hour cost of $38.50 being paid by the City of Bell is in the lower range of those being paid by other cities. While some costs are based on revenue hours and others on service hours, the rates can be used as an indicator of relative cost position. However, the overall cost of the Bell Program is driven by the number of units needed to serve the demand of the program. The nature of the Dial-A-Ride as an advanced reservation program requires more dedicated vehicles and, therefore, more billable service hours, particularly since this service is extended to the general public. The total costs of the Bell program of approximately $450,000 annually to serve 27,000 passengers is only slightly less than the $478,000 spent annually by the City of Maywood for its programs that serves approximately 90,000 passengers.

  The presence of a fixed route service in the transit mix of the other cities substantially increases the number of passengers served. As a result, the per-passenger cost is lower in those communities.

- There is no general pattern regarding fares for transit services in surrounding cities; some charge a modest fare while others do not.

- A collaborative approach to Para-transit services is possible due to the current ridership levels and the length of the routes in the individual cities. The Cities of Bell and Huntington Park are currently being served by a coordinated Dial-A-Ride Program for Seniors and the Disabled.

OPTIONS FOR TRANSIT SERVICES IN THE CITY OF BELL:

Staff has identified the following four transit service options for Council discussion:

- Dial-A-Ride for Seniors and the Disabled Only,
- Dial-A-Ride for Seniors and the Disabled plus a Fixed Route for the General Public,
- Coordinated Effort with Adjacent Cities, and
- Status Quo – Dial-A-Ride for all Residents

Option 1 - Dial-A-Ride for Seniors and the Disabled Only: This option would be the least expensive approach and would allow any savings to be used for other transit related projects, such as street and road repair. It is estimated that a Senior and Disabled Only program could be provided with 2 vehicles and drivers, which would reduce the cost by 35 to 40 percent.

Structuring the program in this manner would continue to meet the needs the elderly and disabled in the community, as well as complying with federal and state grant requirements and the objectives of the Los Angeles Regional Transit Plan. The most significant service impact of this option would be that the general public would no longer benefit from this program.

Option 2 - Dial-A-Ride for Seniors and Disabled and a Fixed Route Program: This option incorporates the benefits of the Dial-A-Ride program described in Option 1 with a fixed route program available to the general public as well as Seniors and the Disabled. In general, fixed routes provide service to a larger number of customers at lower per-passenger costs than curb-to-curb programs. Depending on the design of the fixed routes, this approach may use one large vehicle instead of two small ones which may result in savings on maintenance and repair costs. Naturally, a fixed route structure would be less convenient for the general public than the current system of providing Dial-A-Ride services for everyone.

Option 3 - Coordinated Para-transit Services with Adjacent Communities: A coordinated regional approach is feasible, given the length of the routes and the levels of rider ship in the Bell program and those of adjacent cities. Through a coordinated approach, the cost effectiveness of the programs could be enhanced by a more efficient use of human resources and equipment.

These programs could include any combination of the Dial-A-Ride and Fixed Route services. As many of the adjacent cities are in the process of evaluating the transit programs and issuing RFPs, the timing is ideal for exploring the opportunity of a multi-city, joint approach to providing these services. Further, a combined program may make the cities involved eligible for grants to purchase environmentally-friendly vehicles and more efficient systems. Staff has contacted transit system management from the adjacent communities and found that there is some interest at the staff level to explore this option.

Option 4 - Status Quo: Dial-A-Ride for General Public: The program provides the residents of Bell with a high level of service by operating a quasi-taxi, curb to curb service. However, this approach is less cost effective than the other options.

FARE POLICY OPTIONS:

There are two major options for a fare policy: a no fare policy or a fare system that differentiates the rate based on the category of passenger. For example, a number of systems charge varying rates for seniors, the Disabled and students. One benefit to employing a rate structure is that the revenues raised from fares would help defray the costs of transit provision; this would allow the City to apply any savings to other eligible transit-related projects.

CONCLUSION:

Given the results of the research on the existing Para-transit programs in the City of Bell and those of surrounding cities, there are a number of policy issues that will impact the process of preparing the RFP for contractors to provide this service. It is necessary to determine the components of the program, including what combination of services will be provided and the structure of fares, before completing the elements requested in the RFP. Once the direction on these issues is determined, staff estimates that the process to finalize the RFP will require approximately 60 days.

Additionally, if the potential of using a multi-city approach is an opportunity that is to be explored, the nature and elements of the RFP will be impacted. However, this approach could add several months to the schedule for the RFP process.

Exhibit B

REQUEST FOR PROPOSAL

DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES

CITY OF BELL

6330 PINE AVENUE

BELL, CALIFORNIA, 90201

OFFICE OF THE CITY CLERK

(323) 588-6211

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City of Bell
Office of the City Clerk
6330 Pine Avenue
Bell, CA 90201

January 16, 2012

NOTIFICATION TO CONTRACTORS

The City of Bell ("City") invites proposals from qualified and experienced transportation providers ("prospective Contractors") to provide Dial-A-Ride Transportation Services to qualified senior citizens and disabled residents of the cities of Bell for trips to medical, dental and non-medical locations within a certain geographical boundary. The City seeks bids for two options. In Option 1, The Contractor will provide all equipment, vehicles, personnel and services necessary to operate the program. In Option 2, The contractor will provide all equipment, personnel and services necessary to operate the program except that the vehicles will be provided by the City.

The contractor will also provide management and operation of a telephone reservation and dispatch system that will provide advanced reservation and subscription services to the senior and disabled residents of the City of Bell. As part of this service the contractor shall issue to each subscriber a picture bearing identification card with a unique number and provide the basis for billing and usage information required by the City of Bell.

Original Request for Proposals may be obtained from the Office of the City Clerk, City of Bell, 6330 Pine Avenue, Bell California, 90201. Proposals must be in writing and must be received by the City of Bell, Office of The City Clerk by 5.00 PM on Friday, March 9, 2012 via U.S. Mail, Fed Ex, UPS or courier or in person. Proposals received after the above listed date and time will not be considered, regardless of postmark

The Contractor will be required to comply with all applicable Equal Employment Opportunity Laws and Regulations. The City of Bell hereby notifies all prospective Contractors that the City will require each Contractor to demonstrate that Disadvantaged Business Enterprises are afforded full opportunity to participate in the performance of contracts and sub-contracts financed in part or in whole with funds provided under this RFP, and will not be discriminated against on the grounds of race, color, gender, age, or national origin in consideration for an award.

The City of Bell reserves the right to accept or reject any or all Proposals, and further reserves the right to waive information, informalities, and/or minor irregularities to the extent permitted by law in any Proposal received where such action best serves the interest of the City and to be the sole judge of the merits of the respective Proposals received.

DATE: January 16, 2012

ATTENTION: PROSPECTIVE CONTRACTORS

SUBJECT: REQUEST FOR PROPOSAL (RFP)

TITLE: DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES

Instructions

Proposals must be in writing and must be received by the City of Bell, Office of The City Clerk by 5.00 PM on Friday, March 9, 2012 via U.S. Mail, Fed Ex, UPS or courier or in person. Proposals received after the above listed date and time will not be considered, regardless of postmark. Prospective Contractors are responsible for having proposals deposited on time at the place specified and assume all risk of late delivery, including any delay in the mail or handling of the mail by the U.S. Postal Service or City employees. Contractors responding to this RFP must submit the original and five (5) copies of their proposal in a sealed envelope clearly marked as follows:

PROPOSALS FOR DIAL-A-RIDE TRANSPORTATION SERVICES

City of Bell
Office of the City Clerk
6330 Pine Avenue
Bell, CA 90201

In addition contractor to provide a PDF formatted document containing the response on Compact Disc (CD). THE HARD COPY MUST BE THE SAME AS THE WORD DOCUMENT ON THE CD.

No oral, electronic, telegraphic, telephonic or facsimile transmittals will be accepted. All proposals must contain an original signature by an authorized officer of the company.

All inquiries and comments concerning this Request for Proposal shall be submitted in writing to:

City of Bell
Office of the City Clerk
6330 Pine Avenue
Bell, CA 90201

A pre-proposal conference will be held at 11.00 a.m. on Wednesday, February 21, 2012 at the Community Center, City of Bell, CA. Attendance at the conference *is* mandatory. No submittal will be accepted from any Contractor who fails to attend the pre-proposal conference. Only substantive inquiries will receive a response. All substantive questions raised at the pre-proposal conference or submitted in writing as outlined above will be responded to according to the guidelines contained herein. Responses will be in writing and will be provided to all prospective Contractors. Responses

to questions or comments regarding this RFP provided by any other department, employee, or City of Bell department other than the contact person set forth above shall not be considered valid and the City will not be bound by any such comments or responses. With the exception of inquires received at the pre-proposal conference, inquiries received via telephone or orally in-person will not receive a response.

The Contractor will be required to comply with all applicable Equal Opportunity Laws and Regulations. The City of Bell hereby notifies all prospective Contractors that the City will require each Contractor affirmatively demonstrate that Disadvantaged Business Enterprises are afforded full opportunity to participate in the performance of contracts and sub-contracts financed in part or in whole under this RFP, and will not be discriminated against on the grounds of race, color, gender, age, or national origin in consideration for an award.

The City of Bell reserves the right to reject any or all proposals, to accept all or any part of any proposal, to waive any informality or minor irregularities in any proposal received, to the extent permitted by law and where such action best serves the interest of the City and to be the sole judge of the merits of the respective proposal received.

Issued by:

CITY OF BELL

_____

Rebecca Valdez
City Clerk

ESTIMATED SCHEDULE OF EVENTS

January 16, 2012	REQUEST FOR PROPOSAL (RFP) RELEASE
February 10, 2012	LAST DAY FOR SUBMISSION OF QUESTIONS
February 21, 2012	PRE-PROPOSAL CONFERENCE
March 9, 2012	RFP DUE DATE
March 12-16, 2012	NOTIFY CONTRACTOR OF SHORT-LIST SELECTION
March 19-23, 2012	INTERVIEWS HELD WITH SHORT-LIST OF CONTRACTORS
March 26-30, 2012	FINAL CONTRACTOR SELECTION
April 11, 2012	CITY COUNCIL APPROVAL
April 23-27, 2012	NOTICE TO PROCEED
May 2012*	FIRST DATE OF SERVICE

*Tentative Dates

SECTION 1 - INSTRUCTIONS TO CONTRACTORS

IP. 1 PROPOSAL FORMAT AND SUBMITTAL

Proposals must be in writing and must be received by the City of Bell, Office of the City Clerk by 5.00 p.m. on Friday, March 9, 2012 via U.S. Mail, FedEx, UPS or courier or in person. The envelope must be clearly marked "DIAL-A-RIDE TRANSPORTATION SERVICES". Each Contractor must submit the original and five (5) copies of their Proposal in a sealed envelope and deliver to:

City of Bell
Office of the City Clerk
6330 Pine Avenue
Bell, CA 90201

In addition contractor to provide a PDF formatted document containing the response on Compact Disc (CD). THE HARD COPY MUST BE THE SAME AS THE WORD DOCUMENT ON THE CD.

No oral, electronic, telegraphic, telephonic or facsimile transmittals will be accepted. All Proposals must contain an original signature by an authorized officer of the Contractor.

Proposals received after the above listed date and time will not be considered, regardless of postmark. Proposals will be time stamped when received and will be accepted up to and no later than the time indicated in this RFP. The Contractor assumes the risk of any delay in the delivery of the mail by the U.S. Postal Service or in the handling of the mail by employees of the City. Whether sent by mail or by means of personal delivery, Contractors assume responsibility for having Proposals deposited on time at the place specified. Late proposals will not be accepted for any reason, and will be returned unopened, regardless of postmark.

Proposals shall be typed, single-spaced and submitted on 8½"x11" paper. Proposals shall not include any unnecessarily elaborate or promotional material. Proposals may not be modified or corrected after being opened unless an addendum is issued requesting resubmissions. Proposals will not be valid until all information has been verified and Contractors references have been checked. All Proposals shall be accompanied by a completed and signed letter of transmittal provided as a part of this RFP.

Proposals shall be submitted in accordance with the form prescribed herein. Failure to respond in this manner may render the Proposal non-responsive. Unauthorized conditions, limitations, or provisions attached to a Proposal will render the Proposal non-conforming and non-responsive and may cause its rejection. The completed Proposal shall be without interlineations, alterations, or erasures. Any and all alternate proposals must be submitted in writing and included with the original proposal, conforming to the requirements as stated herein. No verbal modifications will be accepted.

All requests for exceptions or deviations as a result of this RFP shall be clearly identifiable by a separate section of the Contractor's submitted proposal for review by the City of Bell. It shall be the right of the City of Bell to accept or reject any portion of the submitted requests.

Proposal documents shall be deemed to include by reference each and every one of the following:

Request for Proposal (RFP) Addenda
to RFP
All other required forms

IP. 2 EXAMINATION OF RFP DOCUMENTS

By submitting a Proposal, Contractor represents that: (1) Contractor has thoroughly examined and become familiar with the Work required under this RFP, (2) Contractor comprehends all conditions

that may impact the Proposal, (3) Contractor has reviewed all addenda, and (3) Contractor is capable of providing the equipment, goods and services necessary to perform the Work and/or meet the specifications outlined in this RFP, in a manner that meets the City's objectives. Failure to examine the documents and inform itself shall be at the Contractor's own risk. A Contractor shall have no claim against the City based upon ignorance of or misunderstanding of the RFP documents. Once the award has been made, failure of a Contractor to have read all of the conditions, instructions and the Agreement shall not be cause to alter any term of the Agreement nor shall such failure provide valid grounds for a Contractor to withdraw its proposal or to seek additional compensation.

IP.3 ADDENDA

Any changes made by the City to the requirements in this RFP will be made by written addenda. Any written addenda issued to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The City will not be bound by any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. The City reserves the right to revise or withdraw this RFP at any time and for any reason.

IP.4 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held at 11.00 a.m. on Wednesday, February 21, 2012 at the Community Center, City of Bell, CA. Attendance at the conference *is* mandatory. No submittal will be accepted from any Contractor who fails to attend the pre-proposal conference. Only substantive inquiries will receive a response. All substantive questions raised at the pre-proposal conference or submitted in writing as outlined above will be responded to according to the guidelines contained herein.

IP.5 CLARIFICATIONS

Should a Contractor require clarifications of this RFP, the Contractor shall notify the contact person identified in this RFP in writing. Should the City, in its sole discretion, determine that the point in question is not clearly and fully set forth; the City will issue a written addendum clarifying the matter. Said addendum shall be sent to all persons who have requested the RFP.

All questions, clarifications or comments must be submitted to Rebecca Valdez, Office of the City Clerk no later than 5:00pm, Friday, February 10, 2012. No questions will be answered individually by the City of Bell.

Requests for clarification, questions and comments must be clearly labeled "Written Questions for **DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES.** Questions may be faxed to (323) 771-9473, **ATTENTION**: Rebecca Valdez, City Clerk. The City is not responsible for failure to respond to a request that has not been submitted in accordance with this section.

Responses by the City to the clarifications, comments and questions will be communicated in writing to all recipients of this RFP. Every attempt will be made to provide responses to all Contractors in accordance with the procurement schedule for this RFP. Inquiries received after the deadline will not be accepted and will be returned to the sender without a response.

Requests for clarifications and questions should be formatted in the following manner:

Section
Paragraph number
Page number
Text of passage being questioned
Question

IP.6 REFERENCES

All reference information requested in the RFP and specified in the form included in this RFP must be submitted with the Proposal.

Reference information shall also be defined as Contractor's utilized documentation for the operation of contracted services equivalent DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES. Report examples include, but are not limited to, incident/accident reports, scheduling documents, National Transit Database (NTD) reports, monthly statistical reports that include; ridership by time of day; and drivers" logs and dispatch logs for dates requested for the purpose of documenting on-time performance standards, and vehicle maintenance reports.

IP.7 PROPOSAL SIGNATURES

If an individual prepares the Proposal it shall be signed and the full name and address of the Contractor shall be given.

If a partnership prepares the Proposal, it shall be signed with the partnership name, by a member of the partnership who shall sign by name and the name and address of each partner shall be given.

If a corporation prepares the Proposal, the name of the corporation shall be provided and signed by two (2) duly authorized officers and, if available, stamped with the corporate seal, and the names and titles of all officers of the corporation shall be given. If a corporation provides a certified letter stating that one (1) duly authorized officer signature is binding for the corporation, this will suffice to omit the second signature requirement in the proposal. Certified letter is to be included in the proposal accompanied with the Letter of Transmittal.

IP.8 PRE-CONTRACTUAL EXPENSES

The City will be under no obligation for payment of pre-contractual expenses. Pre-contractual expenses are defined as expenses incurred by Contractor in:

- Preparing the Proposal in response to this invitation.
- Submitting that Proposal to the City.
- Negotiating with the City any matter related to this Proposal, and/or
- Any other expenses incurred by the Contractor prior to date of award.

IP.9 CITY OF BELL RIGHTS

At its discretion, the City reserves the right to:

1. Reject any and/or all Proposals for no reason or any reason including but not limited to the following:
    a. The Proposal is incomplete, non-responsive, obscure, irregular or lacking necessary detail and specificity.
    b. The Contractor, in the sole judgment of the City, lacks the qualifications, experience, and/or responsibility necessary to provide the services.
    c. The Contractor failed or neglected to complete and submit any information within the time specified by the City, and as may be otherwise required herein.
2. Reject any Proposal that in the opinion of the City is so unbalanced in comparison to other Proposals received and/or to the City's internal estimates that it does not accurately reflect the cost to perform.
3. Accept all or any part of a Proposal.

4. Cancel the entire RFP;
5. Issue subsequent RFPs;
6. Waive any errors or informalities in any Proposal, to the extent permitted by law.

IP.10 LICENSING, PERMITS AND TAXES

All Proposals and prices quoted therein shall include applicable taxes. Each Contractor shall be appropriately licensed in accordance with the laws of the State of California for the work to be performed. The cost for any required licenses or permits shall be the responsibility of the Contractor. The Contractor is liable for any and all taxes due as a result of the contract.

IP.11 TAXI CAB OWNERS PERMIT (IF APPLICABLE)

If Contractor is submitting a proposal on the DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES and they are currently operating with taxicabs, Contractor must provide a copy of a valid Taxicab Owners Permit from the City to operate taxicabs in the City in accordance with the provisions of Bell Municipal Code prior to operation in City, or if Contractor does not already have an established taxicab service in the City, a copy of a completed application is required to be submitted with the proposal. Owner"s Permit applications are available at the City's Finance Department.

Contractor is responsible for obtaining all additional owner's permits, or approved equivalent, in cities in which the DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES extends to prior to the operation in those cities; costs shall be the burden of the Contractor.

IP.12 RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS

The Contractor's products, services, and facilities shall be in full compliance with all applicable Federal, State and local regulations, standards, and ordinances, regardless, of whether or not they are referred to in the RFP.

IP.13 CONFIDENTIALITY AND PUBLIC RECORD

All Contractors are hereby put on notice that each Proposal received shall become the exclusive property of the City and, unless the City's prior written agreement to maintain all or part of a Proposal confidential as a trade secret is first obtained, each Proposal shall be subject to disclosure pursuant to the California Public Records Act and/or the Federal Freedom of Information Act. The City shall not in any way be liable or responsible for the disclosure of any Proposals or portions thereof absent such agreement; nor shall such agreement preclude the City from disclosing any Proposal or portion thereof where such disclosure is required by law.

IP.14 JOINT OFFERS

Where two or more Contractors desire to submit in response to this RFP, they shall do so on a prime subcontractor basis rather than as a joint venture. City of Bell intends to contract with a single firm and not with multiple firms doing business as a joint venture. Any

Proposal submitted on behalf of any form of joint venture or partnership between two (2) existing Contractors may be considered collusive and may be rejected as non-responsive.

IP.15 CERTIFICATIONS

Each Proposal shall include all required Certifications, including a statement that the insurance requirements set forth in the contract documents can be obtained and will be carried without reservation or exclusion should Contractor be awarded a contract pursuant to this RFP.

IP.16 SINGLE PROPOSAL RESPONSE

If only one Proposal is received in response to this RFP, a detailed cost/price Proposal may be requested of the Contractor. A cost or cost and price analysis and evaluation and/or audit of the cost may be performed in order to determine if the price is fair and reasonable. If the City determines a cost analysis is required, Contractor must be prepared to provide, upon request, cost summaries of estimated costs (i.e. labor, equipment, supplies, overhead costs etc.) and documentation supporting all cost elements.

IP.17 PRICE/COST SHEETS

Each Proposal shall itemize the unit and extended price for each line item indicated on the price/cost sheets. The total price/cost shall include all things necessary for completion of all work indicated in the specification/scope of work included herein.

IP.18 PROTEST PROCEDURES

All protests must be filed in accordance with the following requirements:

1. The protest must be in writing and identify the solicitation (RFP) title.
2. The protest must be submitted by some return receipt method or guarantee of delivery that insures that the protest was received in a timely manner. The City is not responsible for lost or delayed deliverables.
3. The party's standing to protest must be identified.
4. Identification of the specific provision, law, regulation, specification, procedure or policy violated.
5. A statement of the relief requested.
6. Protests related to the content of the RFP shall be received no later than five (5) days prior to the Proposal due Prodate.
7. Protests on matters related to the recommendation for award or any other item not related to the contents of the RFP shall be submitted within five (5) days of the issuance of the recommendation for award.

If the Protest does not comply with the preceding requirements it may not be evaluated and may be returned to the Protestor.

All protests shall be submitted to the contact person identified in this solicitation.

IP.19 INCORPORATION OF PROPOSAL INTO AGREEMENT

This RFP and the response, including all promises, warranties, commitments and representations made in the successful Proposal, shall be binding and incorporated by reference in the City's contract with the Contractor.

IP.20 PROPOSAL EVALUATION CRITERIA

The contract resulting from this RFP will be awarded to that responsible Contractor whose offer, conforming to the requirements of the RFP, is determined to be most advantageous to the City of Bell. The proposal shall contain a complete response to each of the areas identified below, in the order shown. Contractors should review the requirements listed under each area, in providing their responses. Contractor shall avoid the use of elaborate promotional materials beyond those sufficient to provide a complete, accurate and reliable presentation. The following criteria shall be used for the DIAL-A-RIDE (DAR)

TRANSPORTATION SERVICES submitted proposals. An appointed selection panel will review and rate all responsive Proposals, based on the following criteria:

Qualifications of Contractor and Financial Stability:
Maximum of twenty-five percent (25%)

i) Knowledge of the service area associated with the scope of work and demonstrated ability to service the City through a calculated work plan.
   a. Service Planning.
   b. Contractor's current operating capacity and how the City of Bell could Potentially affect its operation.
ii) Relevant experience and references with contracts possessing the same capacity and ability to perform the required services as it relates to a Dial-A-Ride (DAR) Program or equivalent.
iii) Description of the performance standards the Contractor has established for its contract operations.
iv) Ability to comply with all requirements within RFP.
v) Demonstration of adequate financial resources.
   a. Free of liens and encumbrances that could potentially affect a contract with City of Bell.

Qualifications of Staff, Operations, Facility, and Resources:
Maximum of twenty-five percent (25%)

i) Organizational structure in terms of its effective use of personnel and time commitment of Project Management.
ii) Quality of proposed administration and reporting competencies.
   a. Incident/Accident Reporting.
   b. Customer Complaint Resolution.
iii) Thoroughness of Contractor operating policies and procedures. Quality of proposed operating facilities including dispatch systems and communication equipment, maintenance facility and condition of equipment.
   a. Operations Record Keeping.
   b. Maintenance Record Keeping.
iv) Description of Management personnel, their background/experience, assigned tasks to contract, and responsibility.
v) Number of personnel supporting contract and list of certifications/qualifications held by specific job classifications and any existing labor contract provisions that may restrict contractor performance and/or contractor compliance.
   a. Certification Training.

Operating Methodology and Practices:
Maximum of twenty-five percent (25%)

i) Operating Methodology as it relates to "industry best practices" and the comparison to the Contractor's methods to other similar competitors.
   a. Fare collection process.
   b. Passenger pickup/destination logs.
ii) Demonstration of Contractor's comprehension of the RFP through practices of training programs, drug and alcohol programs, anti-harassment training,

performance measures, internal quality assurance oversight controls, preventative and maintenance programs, FTA and NTD reporting, etc.
a. Personnel development.
b. Ongoing Operator/Driver Training.
c. New Hire Training
d. Maintenance Training.
e. Supervisor Training.
f. Sensitivity Training.

iii) Description of how the Contractor has addressed "Cure Notices" or other written notices regarding poor/unsatisfactory performance in the past three (3) years.
a. Accomplishments and shortcomings.

iv) Description of how the Contractor would facilitate and manage the transition from the current provider to the new provider of services.
a. Historical experience.
b. Accomplishments and shortcomings.

v) Description of Contractor's response to preventive maintenance program, road-calls, vehicle repairs, technological equipment as it relates to maintenance, dispatch, etc.
a. Reporting.
b. Cost effective solution to manage parts level.
c. Vehicle cleanliness.

vi) Proposal shall include a Work Plan which would delineate the approach Contractor would utilize to complete the work. The plan shall demonstrate the Contractor's understanding of the scope of services. Contractors should refine and/or expand each Scope of Work in the RFP to reflect the particular plan they would use to perform the work. Contractors shall address any problems that they envision to be associated with the work, citing specific suggestions for avoiding these problems. The work plans should also include how the DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES Service would be conducted from the initial customer telephone request to invoicing the City.

Cost Effectiveness:
Maximum of twenty-five percent (25%)

The standard proposal form requires firm costs per service hour including maintenance, fuel, personnel and all other costs. The proposed costs, as provided in the proposal form, will be evaluated as the Contractor's most favorable terms and conditions. In the proposal, the Contractor must provide a summary of justification on how the costs were achieved and must provide a contingency plan as it relates to foreseeable increases in the following, but not limited to: fuel, labor costs, insurance, etc.

IP.21 AWARD OF CONTRACT

The contract resulting from this RFP will be awarded to the most responsive and responsible Contractor whose proposal, conforming to the requirements of the RFP, is determined to be the most advantageous to the City, based on the Evaluation Criteria.

The City reserves the right to:

(a) Accept all or any part of a proposal;
(b) Reject any or all proposals for any reason;

(c) Waive any informality or minor errors to the extent permitted by law;
(d) Award the Agreement as the interest of the City may require;
(e) Cancel the entire RFP; or
(f) Issue subsequent RFPs.

An Evaluation Committee comprised of City of Bell staff and/or other Municipality staff members in accordance with the Proposal Evaluation Criteria set forth in Evaluation Criteria section of this RFP, will evaluate all the proposals. During the evaluation period, the City may interview some or all the proposing firms. Contractors should be aware; however, that award may be made without interviews or further discussions.

The City may negotiate contract terms with the selected Contractor prior to award, and expressly reserves the right to negotiate with several Contractors simultaneously and, thereafter, to award a contract to the Contractor offering the most favorable terms to the City. However, negotiations may or may not be conducted with Contractors; therefore, the proposal(s) submitted should contain the most favorable terms and conditions, since the selection and award may be made without further discussion with any Contractor.

No agreement shall exist until the City Council or Chief Administrative Officer has awarded the Agreement and it has been mutually executed. The City reserves the right to reject any and all Proposals for any reason, to waive any informality or minor errors as determined by the City in any Proposal and to award the Agreement as the best interests of the City may require. The award, if any, will be made by the City within one hundred-twenty (120) calendar days after the opening of the Proposals.

IP.22 PREFERENCE FOR HIRING LOCAL RESIDENTS

Should the selected contractor require the hire of new employees as a result of the Dial-A-Ride Services contract with the City, contractor agrees to conduct outreach in the city and give preference for qualified applicants residing in the City of Bell. Contractor shall provide evidence of job recruitment efforts.

SECTION 2 - GENERAL TERMS AND CONDITIONS

GC.1 DEFINITIONS

Agreement: The Contract to be negotiated and entered into by the City and the Contractor for the Work described in this RFP

Change: Additions, deletions or other revisions to the Work within the general scope of the contract authorized by the City, through issuance of a change order describing such changes.

City: The City of Bell, a municipal corporation

Contract: The written agreement executed by the City and the Contractor which sets forth the rights and obligations of the Parties in connection with the Work, and which includes the Contract Documents.

Contractor/Vendor/Contactor: Any manufacturer, company or agency providing services, equipment, software, or supplies for this RFP.

Days: Calendar days unless specifically noted

Defect: Patent or latent malfunction of failure in manufacture or design of any component or subsystem that causes a product to cease operating or causes it to operate in a degraded mode.

FTA: Federal Transit Administration

NTD: National Transit Database

Notice to Proceed: Document issued from the City to the Contractor specifying the date on which the work under the Contract is to be initiated.

RFP: Request for Proposal

Specifications: Part of the contract documents that adequately and completely describes the locations, dimensions, character, properties, requirements and details of the Work to be done by the contractor.

Special Provisions: Contract Document containing requirements that modify or supplement the General Conditions.

Work: Any and all of the labor, material, services, supervision, tools, machinery, equipment, supplies, facilities and support used by the Contractor to generate the results specified, indicated or implied in the requirements described in the contract Statement of Work and/or Specifications.

GC.2 ASSIGNMENT AND SUBCONTRACTORS

Neither this RFP nor any interest herein nor claim hereunder may be assigned by Contractor either voluntarily or by operation of law, nor may all or part of this RFP or subsequent agreement be subcontracted by Contractor, without the prior written consent of the City of Bell. Consent by the City shall not be deemed to relieve Contractor of obligations to comply fully with the requirements hereof.

GC.3 SAMPLE AGREEMENT

A form approved by the City Attorney must be executed between the City and the successful Contractor prior to commencement of any work.

GC.4 NOTICE OF LABOR DISPUTE

Whenever Contractor has knowledge that any actual or potential labor dispute may delay the award of this RFP, Contractor shall immediately notify and submit all relevant information to the City of Bell. Contractor shall insert the substance of this entire clause in any subcontract hereunder.

GC.5 DISPUTES

The Agreement shall be constructed and all disputes hereunder shall be settled in accordance with the laws of the State of California. Pending final resolution of a dispute hereunder, Contractor shall proceed diligently with the performance of this agreement.

Disputes arising in the performance of the Agreement to be awarded which are not resolved by agreement of the parties shall be decided in writing by the City Council or its designated representative. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the successful Contractor mails or otherwise furnishes a written appeal to the City of Bell Chief Administrative Officer. In connection with any such appeal, the successful Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the City Council or its designated representative shall be binding upon the successful Contractor and the successful Contractor shall abide by the decision.

Performance During Dispute

Unless otherwise directed by the Chief Administrative Officer, successful Contractor shall continue performance under the Agreement while matters in dispute are being resolved.

Claims for Damages

Should either party to the Agreement to be awarded suffer injury or damage to person or property because of any act or omission of the other party or of any of its employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies

Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the City and the successful Contractor arising out of or relating to the Agreement or any breach thereof, will be decided by arbitration if the parties mutually

agree, or in a court of competent jurisdiction. The parties shall further agree that the proper venue for any court action shall be in the Superior Court of Los Angeles County for state court actions and the United States District Court for the Central District of California sitting in Los Angeles.

Rights and Remedies
The duties and obligations imposed by the Agreement and the rights and remedies available thereunder, shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the City or successful Contractor shall constitute a waiver of any right or duty afforded any of them under the Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

GC.6 ASSUMPTION OF RISK OF LOSS

Unless otherwise provided, Contractor shall have title to and bear the risk of loss of or damage to the items purchased hereunder until they are delivered in conformity as outlined in the RFP at the F.O.B. point specified herein, and upon such delivery Contractor's responsibility for loss or damage shall cease, except for loss or damage resulting from Contractor's negligence.

GC.7 WAIVER OF TERMS AND CONDITIONS

The failure of the City or the successful Contractor to enforce one or more of the terms or conditions of the Agreement or to exercise any of its rights or privileges, or the waiver by the City of any breach of such terms or conditions, shall not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same shall continue and remain in force and effect as if no waiver had occurred.

GC.8 INDEMNIFICATION

Successful Contractor shall indemnify and hold harmless City, and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors and assigns, from and against any and all liability or financial loss, including legal expenses and costs of expert witnesses and consultants, resulting from any suits, claims, losses or actions brought by any person or persons, by reason of injury to persons or property arising directly or indirectly from the willful misconduct, negligent acts, errors or omissions of successful Contractor, including its officers, agents, employees, subcontractors or any person employed by successful Contractor, in the performance of this Agreement.

GC.9 INTEREST OF MEMBERS OF THE CITY

The successful Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, in the City or any other interest which would conflict in any manner or degree with the performance of its services hereunder. The successful Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by successful Contractor.

GC.10 TERM OF CONTRACT

The term of this contract will be for three (3) years, with the City having the sole option to renew the contract with the contractor for one-year extensions for up to five years.

GC.11 TERMINATION FOR DEFAULT

Upon failure of the successful Contractor to make satisfactory progress or adequately correct deficiencies to abide by the terms of the Agreement, or to obtain, furnish or keep in force any required permit, license, bond or insurance, the City shall have the right to terminate the

Agreement for default. Written notice of termination shall be mailed to the successful Contractor at its address. Notice shall be effective when mailed. Upon receipt of notice, the successful Contractor shall immediately stop work and relinquish all project files to the City. The City may thereafter pursue the work or hire another project manager to do so and charge the successful Contractor liquidated damages.

GC.12 LIQUIDATED DAMAGES

It shall be agreed by the parties to the Agreement that time is of the essence, and in the event of delay in starting the work or the delivery of the equipment, goods, services, and personnel required for project implementation and training or equipment beyond the date set forth in the Agreement, damage will be sustained by the City and that it is or will be impracticable to determine the actual amount of the damage caused by reason of such delay. It is therefore agreed that the successful Contractor will pay to the City the sum of five hundred dollars ($500) for each working days delay in starting the work, as set forth in the Agreement beyond any timeline or due date, or authorized extension.

These damages shall be deducted from any monies due, or which may thereafter become due, to the successful Contractor under the Agreement or may be recovered by the City through any lawful means.

The successful Contractor will be granted an extension of time and will not be assessed liquidated damages for any portion of the delay in performance which would be excused pursuant to the force majeure provisions of the Agreement, provided that the successful Contractor shall notify the City's representative in writing of the causes of delay within three (3) business days from the beginning of any such delay.

The successful Contractor shall bear the burden of proof to establish that any delay is subject to the force majeure provisions of the Agreement.

GC.13 CANCELLATION OF AGREEMENT

In any of the following cases, the City shall have the right to cancel the Agreement without expense to the City: (1) the successful Contractor is guilty of misrepresentation; (2) the Agreement is obtained by fraud, collusion, conspiracy, or other unlawful means; or (3) the Agreement conflicts with any statutory or constitutional provision of the State of California or the United States. This section shall not be construed to limit the City's right to terminate the contract for convenience or default, as provided herein.

GC.14 FORCE MAJEURE

The successful Contractor shall not be liable for any failure to perform if acceptable evidence has been submitted to the City that failure to perform the Agreement was due to causes beyond the control and without the fault or negligence of the successful Contractor. Examples of such causes include acts of God, civil disturbances, fire, war, or floods, but does not include labor related incidents such as strikes or work stoppages or unavailability of any product to be supplied to the City.

GC.15 INSPECTION AND ACCEPTANCE

All items and/or invoicing are subject to final inspection and acceptance by the City of Bell, at destination. Final inspection will be made within a reasonable time after receipt of items hereunder. The City reserves the right to withhold final payment until the final inspection and acceptance of all work.

GC.16 EXCESS REPROCUREMENT LIABILITY

Contractor shall be liable to the City of Bell, for all expenses incurred by the City in reprocuring elsewhere the same or similar items or services offered by the Contractor hereunder, should Contractor fail to perform or be disqualified for failure to meet terms and conditions set forth herein. Such reprocurement expense obligation by Contractor shall be limited to the excess over the price specified herein for such items or services.

GC.17 DELIVERY

If applicable, the services and/or product described herein are/is to be delivered to the City of Bell, Office of the City Clerk, 6330 Pine Avenue, Bell, CA 90201.

GC.18 METHOD OF PAYMENT

City will pay successful Contractor in accordance with the following terms and procedures: Successful Contractor shall submit written invoices to City by the 15th of each month clearly detailing the services furnished by successful Contractor during the preceding month and for all other supplies and services provided by successful Contractor. City shall pay all undisputed portions of the invoice within thirty (30) calendar days after receipt of the invoice in accordance with its standard warrant procedures. Clear reference must be made to the purchase order (P.O.) number, the time period that the work was performed, itemization of the work and/or reference to the payment schedule and identification of the contractor's taxpayer identification number.

GC.19 Annual Cost Adjustment

Cost Adjustments for the second and subsequent years will be made to the Contractors annual prices using the annual indexes of the "Consumer Price Index for All Urban Consumers, Los Angeles Area-all items as published by the U.S. Department of Labor, Bureau of Labor Statistics. This adjustment will be made in first month of each new contract year.

GC.20 NON-RESTRICTIVE CLAUSES

If applicable, wherever brand, manufacturer or product names are indicated in these specifications, they are included for the purpose of establishing identification and a general description. Wherever such names appear, the term "or approved equal" is deemed to follow. The decision whether a proposed unit is an approved equal will be made by the City. Specifying a brand name in the specification shall not relieve the successful Contractor, or any subcontractor or supplier, of the responsibility to design and produce a unit which fully meets the performance specifications, the warranty and any other contractual requirements.

GC.21 INSURANCE

Successful Contractor shall at all times during the term of this Agreement for DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES, carry, maintain, and keep in force and effect, with an insurance company admitted to do business in California, rated "A" or better in the most recent Best's Kay Insurance Rating Guide, and approved by the City of Bell:

(1) A policy or policies of broad-form commercial general liability insurance with minimum limits of $1,000,000 (one million dollars) combined single limit coverage and an annual aggregate limit of $ 5,000,000 against any injury, death, loss or damage as a result of

wrongful or negligent acts by successful Contractor, its officers, employees, agents, and independent contractors in performance of services under this Agreement;

(2) Automobile liability insurance, with minimum combined single limits coverage of $5,000,000 (one million dollars);

(3) Workers" compensation insurance with a minimum limit of $1,000,000 (one million dollars) or the amount required by law, whichever is greater on a form approved by the City Attorney.

City of Bell and,its officers, employees, attorneys, and designated volunteers shall be named as additional insureds on the policy (ies) as to commercial general liability bodily injury and property damage coverages and automobile coverages with respect to liabilities arising out of successful Contractor's work under this Agreement. Each insurance policy required by this Section GC.20 shall be endorsed as follows: (1) the insurer waives the right of subrogation against the City and its officers, employees, agents and representatives; (2) the policies and primary and non-contributing with any insurance that may be carried by the City; and (3) the policies may not be canceled or materially changed except after thirty (30) days prior to written notice to the City of Bell.

All insurance coverage shall be confirmed by execution of endorsements on forms provided by the City of Bell. Successful Contractor is required to file the completed policy endorsements with the City of Bell and on or before the Effective Date of this Agreement, and to thereafter maintain current endorsements on file with City of Bell. The completed endorsements are subject to approval of the City of Bell. If for any reason it shall not be possible to obtain endorsements on the City of Bell forms, the underlying insurance policies are nonetheless required to include the terms and conditions set forth on City of Bell forms unless otherwise agreed by the Chief Administrative Officer.

GC.22 CERTIFICATE OF NON-COLLUSION

Contractor's must represent and warrant that all submittals for this work are genuine and not sham or collusive or made in the interest of or on behalf of any person not therein named, and that the Contractor has not, directly or indirectly, induced or solicited any other Contractor to put in a sham Proposal or any other person, firm or corporation to refrain from proposing, and that the Contractor has not in any manner sought by collusion to secure to the Contractor or another Contractor an advantage over any other Contractor.

GC.23 PATENT AND COPYRIGHT INFRINGEMENT

In lieu of any other warranty by the City or the successful Contractor against patent or copyright infringement, statutory or otherwise, it is agreed that the successful Contractor shall defend at its own expense any claim or suit against the City on account of any allegation that any item furnished under this Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes on any present existing United States letter patent or copyright and the successful Contractor shall pay all costs and damages finally awarded in any such suit or claim, provided that the successful Contractor is promptly notified in writing of the suit or claim and given authority, information and assistance at the Contractor expense of same.

However, the successful Contractor will not indemnify the City if the suit results from: (1) City's alteration of a deliverable, such that said deliverable in its altered form infringes upon any presently existing United States letters patent or copyright; or (2) the use of a deliverable in combination with other material not provided by the Contractor when such use in combination infringes upon an existing United States letters patent or copyright.

The successful Contractor shall have sole control of the defense of any such claim or suit and all negotiations for settlement thereof. The successful Contractor shall not be obligated to indemnify the City under any settlement made without the Contractor's consent or in the event the City fails to cooperate fully in the defense of any suit or claim, provided, however, that said defense shall be at the Contractor's expense. If the use or sale of said item is enjoined as a result of such suit or claim, the Contractor, at no expense to the city, shall obtain for the City the right to use and sell said item, or shall substitute an equivalent item acceptable to the City and extend this patent and copyright indemnity thereto.

GC.24 CONFLICTS OF INTEREST

Each Contractor represents and warrants, and if awarded a contract, will covenant, that it presently has no interest and shall not acquire any financial interest, direct or indirect, in any City business or any other interest which would conflict in any manner or degree with the performance of the services to be performed. The successful Contractor shall further covenant that in the performance of the Agreement no person having any such interest shall be employed. Successful Contractor further covenants and warrants that successful Contractor and its officers, employees, associates and sub consultants, if any, will comply with all conflict of interest statutes of the State of California applicable to the performance of services contemplated by this RFP, including, but not limited to, the Political Reform Act (Government Code Sections 81000, et seq.) and Government Code Section 1090. During the term of the Contract, successful Contractor and its officers, employees, associates and sub consultants shall not, without the prior written approval of the Chief Administrative Officer, perform work for another person or entity for whom successful Contractor is not currently performing work that would require successful Contractor or one of its officers, employees, associates or sub consultants to abstain form a decision under the Contract pursuant to a conflict of interest statute.

GC.25 WARRANTIES

Successful Contractor shall warrant to the City of Bell that, for a period of one year following the inspection and acceptance, the procured item or system will perform in accordance with the published statement of work or specifications set forth in this Agreement. In addition to other remedies which may be set forth in the Agreement for breach of warranty, the City may, at its option, return any non-conforming, non-performing or defective items to the Contractor and require correction or replacement of said item or require the services to be re-performed all at Contractor's risk and expense. If the City of Bell does not require correction or replacement of non-conforming or defective items, Contractor shall refund, or the City may offset, as applicable, such portion of the payment specified in the Agreement, on a pro-rata basis. The City's rights hereunder are in addition to, but not limited by, Contractor's standard warranties. Inspection and acceptance of any item or portion of the system procured by the City or payment therefore, shall not relieve Contractor or its obligation under the Agreement. Any component corrected or furnished in replacement pursuant to this clause shall also be subject to the provisions of this clause to the same extent as components or services initially delivered. Except as otherwise authorized in writing by the City, successful Contractor shall

install materials in strict accordance with installation or applicable instructions and procedures set for them by the material manufacturer.

GC.26 ORDER OF PRECEDENCE

In the event of any conflict, the order of precedence of the contract documents are as follows:

The Agreement and any written amendment thereto
General Conditions
Scope of Work/Specifications

A modification to this Agreement shall take its precedence from only those specific terms it amends. All other terms and conditions shall remain unchanged.

GC.27 CALIFORNIA AIR RESOURCES BOARD

Contractor must comply with all federal, state, and local air pollution control laws and regulations applicable to the Contractor.

SECTION 3 - GENERAL REQUIREMENTS

The following are general requirements for the DIAL-A-RIDE (DAR) TRANSPORTATION SERVICES.

The Contractor shall provide a plan in the proposal that describes in detail the performance and function of all personnel. An essential component of this plan should be a list of positions necessary to support the provision of the service. The Contractor shall also provide a plan in the proposal that describes all supervisory tasks and requirements necessary for the project including: schedule adherence checks, complaint investigation and response, report writing, and training. In addition, the plan should include a list of all positions necessary to meet those requirements.

GR.1 Qualification of Contractor. Contractor must meet the minimum qualifications set forth to be considered eligible to provide the proposed service.
Contractor must:

1.1 Be a transportation organization experienced in the provision of transportation services for a minimum of five (5) years. Note: Services may also be known as Dial-A-Ride, Dial-A-Taxi, etc.

1.2 Be a privately owned transportation company.

1.2.1 If not, Contractor to provide description of ownership.

1.3 Be financially sound. Contractor to submit a detailed company portfolio including the company's financial viability within the past three (3) years, credit references, on-going projects and all pending litigations which the company may be directly or indirectly involved.

1.4 Commit enough vehicles to Dial-A-Ride Transportation Program to be able to handle the highs and lows of the demand without subcontracting.

1.4.1 If work force are independent contractors, Contractor shall clearly indicate this in the proposal.

1.5 An organizational chart must be submitted.

1.6 A minimum of three (3) references of prior and/or current clients for whom the Contractor has provided similar services. References should include the name of the client agency, description of services provided, contract amount, period of performance, client contact name, telephone number, physical and e-mail address.

1.7 Abide by the guidelines set forth by Federal Transit Administration (FTA) Title 49, Part 37, Transportation Services for Individuals with Disabilities (ADA).

GR.2 Staffing Requirements.

Contractor shall provide all necessary management and administrative personnel whose expertise, experience and responsiveness shall ensure efficient operation of the Dial-A-Ride Service described herein. Contractor shall assume provision of a service level at least equivalent to the existing service. The Contractor shall furnish all facilities, equipment, supplies and services required in the operation unless otherwise specifically identified in the RFP. Service shall be managed by the Contractor in accordance with City policies and procedures and within the parameters established by the City. Dial-A-Ride Service include financing from the City's Proposition A and C Local Return funds; and other subsidies. Therefore, Contractor shall agree to comply with any conditions required by the City of Bell or the Los Angeles County Metropolitan Transportation Authority (LACMTA).

2.1 Personnel. The Contractor must notify in writing to the City when new hires or reassignments of project personnel. In addition, City shall be notified regarding any changes in the proposed personnel duties or hours that deviate from the original proposal. Personnel changes include the following positions or equivalent: Project Manager, Data Managers or Analyst(s).

2.2 Drivers. All drivers shall hold California Drivers License of the Class required to drive transit vehicles and transport passengers and meet all applicable local, state and federal requirements.

2.2.1 DAR service – Contractor shall describe in the proposal methods of qualifying drivers for a DAR type of service.

2.2.2 Be alert, clean, careful, courteous, sober, drug free and competent in their driving skills.

2.3 Driver Attire.Drivers will wear a uniform that is clearly distinguishable by the users. The City will not provide uniforms for the DAR drivers. The burden of uniform purchase is the sole responsibility of the Contractor. The uniform choice will be coordinated and approved the City of Bell. Proposal may include a photograph of the typical driver uniform.

2.4 Data Analyst (or equivalent). A Data Analyst employed by the Contractor (or equivalent) is required for this project. The Contractor shall ensure that a person proficient in the use of data and preparation of forms, and/or reports at the highest level of accuracy and reliability is available for this project. The Data Analyst (or equivalent) should have previous experience preparing National Transit Database (NTD) reports.

GR.3 Operations Management. Management of the day-to-day operations of the DAR service shall be vested in the Contractor. At all times during hours of operation, there shall be sufficient knowledgeable personnel to cover operational and management aspects of the program, including drivers, office personnel, dispatchers and management staff.

GR.4 Project Manager. A dedicated Project Manager, who will oversee the proper operation of the DAR service, shall be identified and his/her resume included in the proposal. At a minimum, the Project Manager shall be a responsible, caring individual with empathy for the disabled and senior citizens who utilize the services. This person must be aggressive in their approach to problem solving, self-motivated, and a proven manager in transit or Dial-A-Ride operations.

The Project Manager must be competent in all areas of service provision. The designated individual must be available by telephone during all operating hours to make decisions, supervise staff and provide coordination as necessary. The Project Manager shall be required to attend regular meetings with City staff to determine contract compliance, adherence to performance standards, to troubleshoot problem areas, and to discuss operations, marketing and promotional activities. The City reserves the right to remove the Project Manager, at its discretion, and require that the Contractor replace said individual with another Project Manager who is acceptable to the City. Should Contractor have a need to replace the Project Manager, Contractor shall identify the proposed Project Manager and provide a detailed resume at least thirty (30) days in advance of the replacement date.

GR.5 Administration of Services.

5.1 Adjustment to Service. It is probable that the DAR service will be adjusted at some future time by the City. Adjustments may include, but are not limited to, expanding or decreasing service hours or days of service, or increasing or decreasing service areas, adjusting fares, or changing reservation requirements. Contractor is required to make changes as requested within thirty (30) calendar days of the receipt of notice. If Contractor cannot or elects not to make the changes requested, or costs cannot be agreed on, the City shall have the option of terminating the contract.

5.2 Record Keeping and Reporting. As a part of the management and administration of the DAR Service, the Contractor shall be required to maintain all project records for good business practices or as required by the City, the Los Angeles County Metropolitan Transportation Authority (LACMTA) and State and Federal laws and regulations. The Contractor will maintain all required monthly operating data and prepare all reports needed to meet the NTD reporting requirements

All reporting documents shall be produced accurately and in a timely manner as indicated herein on a monthly basis as required by the City, and at the frequency established by the City. These reports shall be submitted in a form compatible with the existing format. The Contractor shall submit additional written reports as requested by the City for specific purposes. Reports shall include, but are not limited to: monthly statistical reports that include; ridership by time of day; and drivers" logs and dispatch logs for dates requested for the purpose of documenting on-time performance standards.

5.3 Incident Reports. All drivers shall be required to complete "Incident Reports" arising out of any unusual occurrences during service. Such reports must be submitted to City of Bell review within forty-eight (48) hours and shall be submitted after incidents such as, but not limited to: disputes with passengers, passenger complaints, passenger injury, illness or misconduct, or situations that do not follow established Bell policies.

5.4 Accident Reports. All patron and vehicle accidents shall be reported to City of Bell by telephone immediately during normal business hours and not later than 8:00 a.m. the following day (regardless of the amount of damage or lack thereof) and a police report must be immediately obtained from law enforcement agency that responded to accident. The Contractor must submit written Accident Reports to the City within twenty-four (24) hours of any accident.

5.5 Inspection of Operational Records. The City reserves the right to audit all of the Contractor's operational records related to the Dial-A-Ride / Subscription Service.

5.6 Management Reports. The Contractor shall furnish a report with each month's billing giving standard boarding, trip information in terms of miles and hours, and meter cost and other statistics. The number of trips shall be reported separately from the number of riders transported. The Contractor shall furnish additional reports at the City's request.

5.7 Monitoring Customer Satisfaction. Contractor shall design and apply a Customer Survey instrument that will collect information and measure the degree of customer satisfaction with the services being provided. Contractor is encouraged to use internet or web based instruments to facilitate customer feed-back. Contractor shall submit a plan and methodology for collecting customer feed-back and measuring satisfaction to the City of Bell for its approval.Results of the survey shall be reported to the City quarterly by an independent firm retained by the contractor for the purpose of tabulating and reporting the results of the customer service survey.

5.8 Criticism and Initiative. The Contractor will work closely with the City to make the service as responsive, cost effective, and complaint-free as possible. Because of the Contractor's expertise, the City will expect the Contractor to observe the Dial-A-Ride Program with a critical eye and suggest changes that will improve any and all aspects of the service, including city administrative practices.

5.9 Complaints. The contractor shall institute a procedure for receiving, logging and resolving customer and citizen complaints by collecting pertinent information and deriving a resolution. City reserves the right to exclude any ofContractor's employees or drivers from participating in the Dial-A-Ride Program due to findings relating to a complaint or service issue. Complaints and their resolution shall be reported to the City of Bell within 10 days of their receipt.

GR.6 Personnel Practices.

6.1 Fair Employment Practices. The Contractor must not discriminate in its recruitment, hiring, promotion, demotion or termination practices on the basis of race, religious creed, color, national origin, ancestry, gender, age or physical disability in the performance of any Agreement with the City, and shall comply with the provisions of the State Fair Employment Practices Act, the Federal Rights Act of 1964 and all amendments thereto, and the Americans with Disabilities Act of 1990. Proposal shall include a brief statement of intent to comply with the aforementioned laws.

6.2 Firm "s Employee Standards .Proposal shall include a brief description of the Contractor's hiring and disciplinary practices, including a description of employee training, counseling, and disciplinary procedures. Give a brief description of the contents of the firm's employee manual and state the ways in which this document applies to the Dial-A-Ride Program.

6.3 Personnel Policies and Procedures. Proposal shall include a description of the Contractor's personnel policies and procedures regarding, at a minimum: reimbursement for sick leave; holiday and vacation pay; wage scales; overtime policy;

and family leave. Contractor's personnel policies shall be in conformance with all applicable State and Federal laws.

6.4 Established Accident/Emergency Procedures. Proposal shall include a description of the procedures the Contractor has established to address the needs of passengers (particularly the frail, senior citizen and disabled) in emergency situations (*i.e., vehicle accident, patron injury or on-board illness, earthquake, fire or related physical episodes*) and a statement of how these procedures are conveyed to the drivers. Also included shall be a copy of formalized written instructions the firm has established outlining the duties of a driver following an accident.

6.5 Safety and Training. Proposal shall include a description of a comprehensive safety plan that the Contractor has adopted and that demonstrates the Contractor's commitment to safe transportation. The training plan must have a minimum of sixty(60) hours of new-hire orientation and driver training in the following areas: vehicle handling and safety; defensive driving techniques; emergency first aid; cardiopulmonary resuscitation; passenger assistance and handling; empathy/sensitivity training, mobility device securement, and customer service training. Drivers must receive this training before assignment to a vehicle or within sixty (60) days of hire. The City also requires ongoing training for office personnel and the Project Manager. This training shall consist of more than just attendance at regularly scheduled safety meetings and corporate management meetings. The Contractor shall provide a written policy statement in its employee handbook or manual that stresses the important of employee customer service and interaction with patrons (i.e., answering telephone calls promptly, conveying a friendly attitude, and providing a quick response to requests for service or information).

The City's goal is to not receive any citizen complaints in any given month. Contractor shall provide the name of a person trained and designated as the safety and training coordinator who shall report to the City as requested on safety and training issues and accident statistics as requested.

6.6 California Department of Motor Vehicles (DMV) " Pull Notice" Practices . Proposal shall include a description of how employees and prospective employees are screened with respect to holding a valid driver's license for the type of vehicle to be driven; how often DMV checks are made on existing employees with respect to driving infractions, outdated licenses, failure to appear, etc. State the firm's standards regarding drivers" records, and what steps are taken with those who do not meet those standards.

6.7 Physical Examinations Practices. Proposal shall include a description of any general pre-employment physical examination required by the Contractor.

6.8 Drug and Alcohol Compliance. Proposal shall include a description of its drug and alcohol testing program.

6.8.1 The Contractor shall comply with the City's mandatory controlled substance and alcohol testing certification program for taxicab drivers adopted in accordance with the provisions of California Government Code Section 53075.5 (b)(3)(A). Additionally, the City, as a grantee of the United States Department of Transportation (USDOT) requires compliance with Federal Transit

Administration (FTA) drug and alcohol testing rules, including, without limitation, Title 49 of the Code of Federal Regulations (CFR), Part 655 (Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations) and Part 40 (Procedures for Transportation Workplace Drug and Alcohol Testing Programs) and Contractor shall comply with the FTA"s drug and alcohol testing rules.

6.8.2 As used in this section, "safety-sensitive" functions are defined as follows:

i) Operating a revenue service vehicle, even when not in revenue service;

ii) Operating a non-revenue service vehicle, when it is required to be operated by a Commercial Driver's License (CDL) holder;

iii) Controlling dispatch or movement of a revenue service vehicle;

iv) Maintaining (including repairs, overhaul, and rebuilding) a revenue service vehicle or equipment used in revenue service;

v) Carrying a firearm for security purposes.

Note: Any supervisor who performs, or may be required to perform any of the functions listed above is also considered a safety-sensitive employee.

Contractor has the responsibility to review and analyze all job functions within the company to determine which job classifications are considered "safety-sensitive".

Contractor must certify that it has or will establish and implement a drug and alcohol testing program in accordance with the requirements of 49 CFR Part 40 and Part 655.

City must certify annual compliance to FTA and shall provide assistance to Contractor in completing annual Management Information Systems (MIS) reports, therefore, the Contractor shall comply with the following:

6.8.3 Contractor shall provide annual statistical reports, using the applicable forms required by the FTA, (*for the year ending in December*) to the City, by February 15 of each year. These reports include training records and statistics for all of the following required types of tests:

i) Pre-Employment

ii) Random

iii) Post – Accident

iv) Follow-up

v) Return to Duty

6.8.4 On Pre-Employment tests, Contractor shall provide the City with a complete list of covered employees with negative pre-employment test results, completed

USDOT Federal Custody and Control Form (CCF) and completed USDOT Breath Alcohol Testing form. Results of testing shall be made available to the City upon request.

6.8.5 Contractor shall retain the following records for a five (5) year period:

i) Verified Positive Drug screen results

ii) Alcohol Test Records of 0.02 or greater

iii) Documentation of Refusal to take a required drug or alcohol test

iv) Documentation of employee disputes

v) Evidential Breath Device calibration documentation

vi) Employee evaluation and referrals

vii) Annual MIS reports

6.8.6 Contractor shall retain the following records for a period of three (3) years:

i) Information obtained through previous employer record checks

6.8.7 Contractor shall retain the following records for a period of two (2) years:

i) Records related to the collection process (excluding EBT Calibration)

ii) Education and Training Records

6.8.8 Contractor shall retain the following records for a period of one (1) year:

i) Alcohol test results of less than 0.02

ii) Records of negative drug test results

GR.7 Technical Equipment.

7.1 Computer Assisted Dispatch / Routing System. The Contractor shall provide the hardware, software, telephone line, accompanying equipment and necessary training to create and fully implement a computer-assisted dispatch / routing system. Such a program shall be fully described in the Proposal.

7.2 Telephone Equipment. A telephone system is required to have multiple lines and such capabilities as to handle the number of calls expected. Contractor shall answer calls within thirty (30) seconds, and hold times shall not exceed two (2) minutes.

7.3 Telephone Lines. Contractor shall provide one (1) dedicated toll-free telephone number for the Dial-A-Ride Program reservations. If requested at the time contract expires, Contractor shall relinquish ownership of all toll-free telephone numbers to the City of Bell and Contractor shall take the burden of any applicable charges in the transferring of ownership of toll-free number.

7.4 Dispatch Office Hours. For the Dial-A-Ride Program, Contractor dispatching office shall be available to take reservations Monday through Friday from 6:30 a.m. to 10:30 p.m.

For the DAR service, the Contractor dispatching office shall be available to take reservations Monday through Friday from 6:30 a.m. to 7:30 p.m. and on Saturday and Sunday from 8:30 a.m. to 6:00 p.m. As the Dispatcher is an invaluable component of a successful program, the Dispatcher shall have demonstrated experience in dispatching and putting together shared rides, in a timely manner with bilingual abilities.

7.5 Radio Equipment. The Contractor shall be responsible for equipping two-way radios or other advanced communication devices connecting each vehicle used in the Dial-A-Ride Program service and for DAR service to dispatch facilities. The Proposal shall indicate the type, model and style of the radio system utilized, and document that its radio communication service system will allow communication in all areas of service area, satellite points and contain a back-up system.

7.6 Other Equipment. Each vehicle shall be equipped with a fire extinguisher, taxi meter (optional) with a current approval and inspection by the Department of Weights and Measures, a device for alerting authorities in case of hijacking or robbery, and a digital terminal for receiving rider information.

GR.8 Taxi Cab Owner's Permit (if applicable). Contractor shall, at all times during the term of this Agreement, have and maintain a valid Taxicab Owner's Permit to operate taxicabs in accordance with the policies and provisions of the complete chapter and sections in the Bell Municipal Code.

GR.9 Taxi Cab Owner's Background Check. Background checks will be performed for those who have submitted an application for a permit to operate in the City of Bell.

GR.10 Gratuities. Under no circumstance shall the driver or contracted personnel for the Dial-A-Ride Programto accept gratuities and/or tips from the patron or public when operating under contract with the City of Bell.

GR.11 Facilities. Contractor shall provide the address(es) of the proposed facility(ies) for the Dial-A-Ride Program. Describe the facility in detail, including the size of vehicle storage area for Dial-A-Ride Program and/or the DAR service operations, dispatch area, office space, vehicle maintenance, and fueling and washing facilities. Proposal shall indicate other services, if any, which are conducted within the same facility. Proposal shall describe all safety related training for on-site personnel.

GR.12 Service Penalties.

12.1 Service Complaint Penalties.

12.1.1 Service complaints include, but are not limited to: missed pick-ups, failure to pick-up, late (xx minutes or greater) pick-ups, and/or rude behavior (including asking/demanding tip).

12.1.2 For every third (3rd) verified complaint the City receives about the contractor,it will deduct one hundred dollars ($100.00) per verified complaint during any calendar month. Thus creating a three hundred dollar ($300.00) deduction in any calendar month if there were three verified complaints.

12.1.3 City will notify Contractor in writing that said penalty is imminent and request Contractor to reduce their invoice by the penalty amount in the following month's invoice.

12.1.4 Invoice shall clearly identify such transaction.

GR.13 Service Incentives.

13.2.1 Contractor may earn an annual incentive of two (2) percent of the contract payment if the following conditions are met:

i.) Contractor has maintained a 95% good or better customer service rating.

ii.) All reports have been submitted to City in a timely and acceptable form.

III.) Ridership level have been consistently increasing.

iv.) Response time goals have been met 95% of the time

v.). Terminal Inspection reports (California Highway Patrol) have a Satisfactory or better rating.

vi.) Vehicles have been maintained in A-1 condition as demonstrated by date stamped digital photo surveys, random City Inspections, and vehicle maintenance reports. See GR 8, 8.2 and 8.3.

vii) Contractor has not had more than five (5) verified complaints during the year of operation and not had a penalty assessed per GR 12 of the RFP.

13.2.2 City will notify Contractor in writing that said incentive is achieved and request Contractor to increase their invoice by the incentive amount in the following month's invoice.

13.2.3 Invoice shall clearly identify such transaction.

SECTION 4

TECHNICAL SPECIFICATIONS AND SCOPE OF WORK FOR ADVANCED RESERVATION DIAL-A-RIDE/SUBSCRIPTION SERVICE

This scope of work is to provide for the complete management, operation and maintenance of the DAR service for qualified Bell senior citizens and disabled residents. All General Requirements in Section 3 of this RFP shall apply to this scope of work.

1. Background of DAR. The City of Bell is located in the southeastern portion of Los Angeles County. The City has an estimated population of 37,000 residents and covers an area of approximately 2.7 square miles. The community is composed of low and middle income families. Census bureau indicates that 7% of the residents are over the age of 60. In addition, 19.0% percent of Bell"s residents are physically disabled.

The City of Bell initiated a Dial-A-Ride advanced reservation service for the elderly and disabled and the general public in 1996. Currently this service is being provided by a non profit organization, the Oldtimers Foundation.

2.0 Qualifications and Related Work Experience. The Contractor shall demonstrate that it is fiscally solvent and financially competent to meet the terms of the RFP and provide the service as specified herein. Contractor shall adhere to the same guidelines referenced in Section 3, General Requirements.

3.0 Management and Organization. Contractor to demonstrate that it has the management qualifications, experienced staff (or process of hiring qualified staff), and organizational structure to provide DAR services. Management of the day-to-day operations of the DAR service shall be vested in the Contractor. At all times during hours of operation, there shall be sufficient knowledgeable personnel to cover operational and management aspects of the program, including drivers, office personnel, dispatchers and management staff. Contractor shall include the following:

3.1 An organizational chart showing the unit or division responsible for the DAR services relative to the Contractor's structure.

3.2 A detailed organizational chart for the unit responsible for the DAR services, including the names of key management and staff.

3.3 Resumes for key staff identified in the detailed project organizational chart.

4.0 Project Manager. Refer to Section 3, General Requirements, subsection 4.0.

5.0 Administration. Contractor shall provide all necessary management and administrative personnel whose expertise, experience and responsiveness shall ensure efficient operation of the DAR service described herein. The Contractor shall furnish all facilities, equipment, supplies and services required in the operation of DAR Program unless otherwise specifically identified in this document

5.1 Hiring, Training and Supervision of Drivers. Describe recruiting and hiring practices to ensure the availability of qualified drivers. Include a description of any driver incentive programs or other mechanisms to enhance driver performance. Due to the critical importance of customer relations training for drivers, Contractor to provide a detailed description of their proposed driver training program. The proposed training program shall at minimum include the following areas:

5.1.1 Department of Motor Vehicles (DMV) and other applicable laws and regulations

5.1.2 Safe vehicle operations

5.1.3 Operation and usage of radios and other vehicle equipment

5.1.4 Defensive driving

5.1.5 Customer relations

5.1.6 Sensitivity training

5.1.7 Working with mobility assisted devices

5.1.8 Knowledge of service area frequent destinations and street network

5.1.9 Map reading

5.1.10 Fare collection

5.2 Hiring, Training and Supervision of Personnel involved in Customer Service Functions: Reservations, Scheduling and Dispatch. Describe recruiting and hiring practices to ensure the availability of qualified reservationists, schedulers and dispatchers. Describe the number of hours and type of training proposed for the personnel. Include a description of any employee incentive programs or other mechanisms to enhance personnel performance.

5.3 Hiring, Training and Supervision of Mechanics. Describe recruiting and hiring practices to ensure the availability of qualified mechanics. Describe the number of hours and type of training proposed for mechanics. Include a description of any employee incentive programs or other mechanisms to enhance personnel performance.

6.0 DAR Operation. The DAR program provides demand-responsive service based upon the curb-to-curb concept for registered riders who are senior citizens and/or disabled. Drivers are not permitted to assist a passenger to and from the door of any residence or building.but will provide assistance in boarding and deboarding the vehicle.

6.1 Service Area. Contractor will provide DAR Transportation services within the boundaries of the City of Bell. Service will also be provided to the following medical and Shopping Areas outside of the City Boundaries.

1. Stonewood Mall, 9250 Firestone Blvd, Downey, CA
2. Medical Center, 9515 Telegraph Road, Downey, CA
3. Kaiser Medical Center, 9449 Imperial Highway, Downey, CA
4. Medical Offices located between 9000 and 9600 Telegraph Road, Downey, CA
5. Kaiser Permanente Hospital, Located at the corner of Rosecrans and Clark

6.2 Eligible Users. The DAR service is restricted to residents of Bell who are either 60 years of age and older or are physically disabled, regardless of age.

6.3 Intake Services. Contractor will provide intake services for qualifying users, receive and process applications, maintain the corresponding database and issue a picture bearing identification card to each eligible user

6.4 Fares. Currently the City has not established any fares for the DAR program and is providing the service free of charge. Should the City decide to establish a fare, the contractor will be responsible for collecting the fare according to the fare structure established by the City. Contractor will also be responsible for counting the fares daily, reconciling the receipts with the ridership, and deducting the fare revenues from the monthly invoice.

6.5 Response Time. All vehicles shall arrive within a twenty (20) minute window of the scheduled pickup time (ten (10) minutes before and ten (10) minutes after).

6.6 Pick-Up and Drop-Off Policy. Vehicles will offer curb-to-curb service for eligible riders. In cases where the rider is not waiting at the curb, the driver will beep the horn gently to signal arrival. The driver will wait three (3) minutes from the designated pick-up time for the passenger to arrive at the designated pickup location.

6.7 Advanced Reservation Period Contractor will be allowed to require a maximum advanced reservation of 24 hours prior to the desired pick up time. Contractor may waive this requirement if conditions and vehicle availability allow a more immediate pick up time at no additional cost to the City.

7.0 Hours of Operation:

7.1 Advanced Reservation Dial-A-Ride (DAR) Service.

Days and Hours of Operation: DAR Transportation Services will be provided during the following times.

Week Days Monday - Friday	Week Ends (Saturday Only)	Holidays
7:00 AM to 5PM	9:00 AM to 3:00 PM	No Service

7.2 Holidays
Holidays on which Contractor will not provide service are New Years Day, Martin Luther King Jr. Day, Presidents Day, Memorial Day. Independence Day(4th of July), Labor Day, Thanksgiving Day and Christmas Day.

8.0 Performing Reservations, Scheduling and Dispatch Functions. Contractor to describe the following in detail:

8.1 Telephone system capabilities, number or lines (dedicated to DAR service), and equipment to schedule reservations and provide customer information, including Telephone Digital Display (TDD) capability.

8.2 Scheduling and dispatching system software and hardware to be used and capabilities in terms of:

8.2.1 Maintaining a list of patrons and patron ride history

8.2.2 Customer convenience (ride time, scheduled pick-up time)

8.2.3 Schedule integrity and on-time performance monitoring

8.2.4 Providing subscription, next-day and real-time reservations and dispatch

8.2.5 Electronic equipment to track vehicle location an verify "no-show" trips

8.3 Days, hours and staffing of all customer service functions as well as practices and procedures to ensure that customers receive timely and friendly service.

8.4 Dispatching software, locater systems, radio communications and other technologies and equipment (i.e., Mobile Data Terminals, Automatic Vehicle Location system) to ensure on-time performance, service quality, service monitoring and attainment of performance standards.

9.0 Annual Operating Statistics.

Period	Seniors	Disabled	Total Passengers
2009-2010	8,530	2,831	11,361•
2010-2011	8,452	3,180	11,632

- 369 Subscribers

10.0 Vehicles. The contractor will operate the DAR Program using vehicles provided under one of following options:

10.1 Option 1. Contractor to Provide Vehicles:

10.1.1 Vehicles.The Contractor shall be responsible for providing all vehicles sufficient to accommodate the total volume of Dial-A-Ride Program. The proposal shall fully describe the vehicles that will be used in the Dial-A-Ride Program. The description shall include the year, make, model, alternative fuel type (if available), estimated mileage of vehicle, and if the vehicle meets the Americans with Disabilities Act (ADA) accessibility requirements.

10.1.2 Condition. All proposed vehicles provided by the Contractor must meet California Highway Patrol (CHP) inspection requirements, and all other vehicle systems must be in good working order. All vehicles must have working air conditioning and be accessible for senior citizens and handicapped persons. Wheelchair accessible vehicles (ramp or lift-equipped) shall be available within the same service parameters as regular sedan service. The wheelchair accessible vehicles shall meet all requirements of the Americans with Disabilities Act (ADA) of 1990 and all applicable amendments thereto.

10.2 Option 2.City of Bell Provides Vehicles

Contractor to operate program with Vehicles provided by the City of Bell. Contractor shall operate DAR Program with the vehicles provided by the City further described in Exhibit B of this RFP. Contractor will indicate the number of and which of the City vehicles will be used. The selected vehicles will be leased to the contractor for the amount of One ($1.00) each annually.

11.0 Universal ProvisionsApplying to Vehicles Under Both Options:

11.1 Cleanliness of Vehicles. Proposal shall describe the system used to insure that the vehicles are washed not less than one (1) time per week and the interiors cleaned daily, prior to service. Details to include:

11.1.1 Vehicle floors shall be free of water, stains, paper, gum or other sticky substances or debris.

11.1.2 Interior and exterior windows shall be free of dirt, dust smudges, hand or finger prints.

11.1.3 Dashboards, wheel wells, rails and ledges shall be kept clean and free of dirt and grease.

11.1.4 Seating areas and upholstery shall be vacuumed weekly.

11.1.5 The City reserves the right to remove any vehicle from service that does not meet with City's cleanliness standards.

11.2 Removal of Vehicle from Service. In the event that the Contractor is instructed by the City or other regulatory agency to remove any equipment from service due to mechanical failure or failure of any kind relating to the specifications included in this document or pertaining to any state code or law, the Contractor shall make any and all corrections and repairs to the equipment, at its own expense, and submit the vehicle for re-inspection prior to it being released back into service.

11.2.1 Back-Up Vehicle(s). At no such time shall removing a vehicle from service negatively compromise the operation of the program. Contractor shall possess a back-up vehicle of like-kind, capacity and shall meet all local and state compliant specifications. The proposal shall fully describe the vehicles that will be used as a back-up vehicle. The description shall include the year, make, model, alternative fuel type (if available), estimated mileage of vehicle, and if the vehicle meets the Americans with Disabilities Act (ADA) accessibility requirements. Contractor will only bill for the actual service hours the backup unit is used. Cost of possessing the backup unit and maintaining the unit in acceptable conditions should be included in the corresponding capital and maintenance costs on the price sheet.

All proposed back-up vehicles provided by the Contractor must meet California Highway Patrol (CHP) inspection requirements, and all other vehicle systems must be in good working order. All vehicles must have working air conditioning and be accessible for senior citizens and handicapped

persons. Wheelchair accessible vehicles (ramp or lift- equipped) shall be available within the same service parameters as regular sedan service. The wheelchair accessible vehicles shall meet all requirements of the Americans with Disabilities Act (ADA) of 1990 and all applicable amendments thereto.

11.3 Vehicle Inspections. The City reserves the right to at any time to inspect, examine or test any equipment used in the performance of operations as described herein in order to ensure compliance with these specifications. The inspections may take the form of vehicle inspections, ride-alongs, visual cleanliness inspections, inspections of records pertinent to the program operations, or other inspections as needed. These inspections will be arranged in advance with the Contractor so that adequate back-up vehicles are provided in the case of vehicle inspections.

11.4 Vehicle Repairs. Contractor shall at no time operate a vehicle in revenue service with visible body damage without consent from City of Bell. This includes any vehicle that sustains significant damage from any cause, fault or no fault of Contractor. Upon approval from City of Bell, Contractor shall repair vehicles immediately when it is determined such damage impairs the proper and safe mechanical operation of the vehicle. All other damage shall be repaired in a reasonable amount of time. At no time, will City of Bell be required to repair, replace or maintain any vehicle required for the operation of the DAR service.

11.5 Operating Equipment and Supplies. Contractor shall at its sole cost and expense maintain stores of fuel, lubricants, tires, and other consumables, repair/replacement parts and supplies required for the maintenance and operation of the vehicles utilized in providing City of Bell DAR service.

11.6 Original Equipment Manufacturer (O.E.M). It shall be the expressed responsibility of the Contractor to assume all coordination with the original equipment manufacturer of the vehicles if necessary to keep the vehicles in safe and good operating condition. This shall include negotiating and processing all vehicle warranty claims through the manufacturer's own warranty, extended warranties or credits as a result, for the length of time warranty is in effect.

11.7 Vehicle Breakdown. Should a vehicle operated in the is DAR service experience a mechanical failure with passengers on board, a response time of no more than twenty (20) minutes shall be compliant. A road call to a vehicle in service shall generate a written report to City of Bell to include time of call, number of passengers on board, location and cause of breakdown and the time vehicle was replaced or placed back in service. Contractor shall be responsible for the road call. At no time shall a vehicle be left unattended.

11.8 Marking of/Advertising on Vehicles. Vehicles will be easily recognized and marked as serving the City of Bell. Contractor shall cause only such advertising material, audio, video or similar devices, as many be specified and/or approved by City of Bell to ever be affixed to such a location or locations on the vehicles as City of Bell shall direct. No payment or consideration received by City of Bell in connection with such advertising or notice shall be paid to Contractor.

12.0 Vehicle Maintenance Program. Contractor shall assume all responsibility of the proper maintenance of the vehicles. The Contractor shall maintain all vehicles and vehicle equipment required by this RFP in good repair and in a satisfactory condition to the City and include the following:

12.1 Vehicles shall be maintained on a regular schedule with regular preventative maintenance inspections at a minimum of every 3,000 miles or forty-five (45) days, whichever occurs first.

12.2 Vehicle maintenance records shall be kept for at least one (1) year as required by the California Highway Patrol (CHP). In the event of a "Fail" rating from any agency, the Contractor will notify the City within twenty-four (24) hours and will provide corrective actions to bring the vehicle into compliance with motor vehicle inspection standards. The expense of the corrective action will be borne solely by the Contractor.

12.3 Contractor will describe in its proposal the how this maintenance program will be provided, list the personnel or firms who will perform the maintenance, and describe their qualifications for performing transit vehicle maintenance.

13.0 Preventative Maintenance Program. The proposal shall outline a clear and detailed, ongoing preventive maintenance program appropriate to the DAR fleet that meets or exceeds CHP and manufacturer's standards.

14.0 Return of Bell Vehicles. If the City chooses to provide vehicles for the operation of the DAR Program (Option 2), upon termination or completion of the contract term, Contractor shall be responsible for the returning all vehicles to The City of Bell in the condition in which they were received with the exception of normal wear and tear. This includes, but is not limited to, body condition, systems condition and function, all ancillary equipment (intact and functional) and overall vehicle operation and performance. City of Bell will conduct individual inspections on each vehicle with its last Preventative Maintenance cycle prior to the scheduled return to City of Bell. The inspection schedule shall be coordinated with the City of Bell, Chief Administrative Officer or designee, with facilities and required support necessary for the inspections to be supplied by Contractor.

14.1 Contractor shall steam clean thoroughly the engine compartment, engine, chassis, transmission, oil coolers, drive train, and suspension prior to inspection. Such inspections will ensure any necessary repairs are completed and will require Contractor to conduct any needed repairs.

14.2 Contractor shall have seven (7) days in which to complete those repairs once Contractor has been notified of any deficiencies requiring repair. Should for any reason the length of time required to complete repairs would impact the ability to meet service demands, or should through the inspection process it is found that the repairs were not made as instructed by City of Bell, City of Bell shall have the right to waive Contractor's right to make repairs which are necessary to bring vehicles into compliance under the terms of the contract. Under such waiver condition, City of Bell may make repairs itself, or assign another company of City of Bell's choosing to

perform all required repairs and charge the Contractor the cost of such repairs from any moneys otherwise owed.

SECTION 5 - FORM OF CONTRACT

SAMPLE: AGREEMENT FOR ADVANCED RESERVATION DIAL-A-RIDE (DAR) / SUBSCRIPTION SERVICE (City of Bell)

THIS AGREEMENT is made and entered into on this _____day of _____, 2012, by and between the City of Bell, a California municipal corporation ("City"), and _____("Contractor").

RECITALS

A. City desires to utilize the services of a Contractor as an independent Contractor to perform Advanced Reservation Dial-A-Ride (DAR) / Subscription Service.

B. Contractor represents that it is fully qualified to perform such services by principals and employees.

C. City desires to retain Contractor and Contractor desires to serve City to perform these services subject to the terms contained herein and all applicable local, state and Federal regulations.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the City and the Contractor agree as follows:

1. Contractor's Services.

1.1 Scope of Services. Contractor shall assist the City in performing Advanced Reservation Dial-A-Ride / Subscription Service, and shall perform the specific services more particularly described in Exhibit E, attached hereto and incorporated herein by this reference as though set forth in full.

1.2 Personnel. Contractor represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. All of the services required under this Agreement will be performed by Contractor or under its supervision, and all personnel engaged in the work shall be qualified to perform such services.

1.3 Party Representatives. For the purposes of this Agreement, the City Representative shall be the Chief Administrative Officer or such other person designated by the Chief Administrative Officer (the "City Representative"). For the purposes of this Agreement, the Contractor Representative shall be _____ (the "Contractor Representative").

1.4 Time of Performance. Contractor shall commence the services contemplated under this Agreement immediately upon receipt of a Notice to Proceed for such services from the City Representative and shall perform and complete each task listed during and by the times indicated in Exhibit E.

2. Term of Agreement. The term of this Agreement shall be from _____to_____, unless sooner terminated as provided in Section 12 herein.

3. Compensation.

3.1 Contractor shall be paid on a fixed amount not to exceed price of figures presented in Exhibit A as full and complete compensation for the satisfactory completion of all services. This sum includes payment for all taxes, insurance and fringe benefits as well as indirect costs, overhead and profit allowance, materials and supplies.

3.2 Total compensation shall not exceed the amount specified above unless said amount has been increased in writing by the contractual representative designated herein. Contractor shall not supply any services beyond the period the period of performance specified herein.

3.3 Contractor shall bill the City of Bell on a monthly basis and payment will be made within receipt of an acceptable invoice, which has been approved by the Project Manager or a designated representative.

4. Method of Payment.

4.1 Invoices. Not later than the fifteenth (15th) day of each month, Contractor shall submit to City invoices for all services performed and the expenses incurred pursuant to this Agreement during the preceding month. The invoices shall describe in detail the services rendered during the period and shall show the days worked, number of hours worked, the hourly rates charged, milestone achievements, and the services performed for each day in the period. City shall review such invoices and notify Contractor within ten (10) business days of any disputed amounts.

4.2 Payment. City shall pay all undisputed portions of the invoice within thirty (30) calendar days after receipt of the invoice up to the maximum amount set forth in Section 2.

4.3 Audit of Records. Upon City providing 24-hour prior notice, Contractor shall make all records, invoices, time cards, cost control sheets and other records maintained by Contractor in connection with this Agreement available to City for review and audit by the City. City may conduct such review and audit at any time during Contractor's regular working hours.

5. Standard of Performance. Contractor shall perform all services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to City.

6. Ownership of Work Product. All reports, documents or other written material developed by Contractor in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Such material shall not be the subject of a copyright application by Contractor. Any alteration or reuse by City of any such materials on any project other than the project for which they were

prepared shall be at the sole risk of City unless City compensates Contractor for such reuse.

7. Status as Independent Contractor. Contractor is, and shall at all times remain as to City, a wholly independent contractor. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City. Neither City nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as set forth in this Agreement. Contractor shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of City, provided, however, that nothing contained in this provision shall be construed or interpreted so as to deprive Contractor of any and all defenses or immunities available to public officials acting in their official capacities. Contractor agrees to pay all required taxes on amounts paid to Contractor under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contractor shall fully comply with the workers□ compensation law regarding Contractor and Contractor's employees. Contractor further agrees to indemnify and hold City harmless from any failure of Contractor to comply with applicable workers□ compensation laws. City shall have the right to offset against the amount of any fees due to Contractor under this Agreement any amount due to City from Contractor as a result of Contractor's failure to promptly pay to City any reimbursement or indemnification arising under this Section 7.

8. Confidentiality. Contractor covenants that all data, documents, discussion, or other information developed or received by Contractor or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contractor to any person or entity without prior written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Contractor's covenant under this section shall survive the termination of this Agreement.

9. Conflict of Interest. Contractor and its officers, employees, associates and sub-Contractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Contractor's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Contractor shall retain the right to perform similar services for other clients, but Contractor and its officers, employees, associates and subContractors shall not, without the prior written approval of the Chief Administrative Officer, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subContractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

10. Indemnification. Contractor agrees to indemnify and hold harmless the City, and its elected and appointed officials, officers, attorneys, agents, employees, designated volunteers, successors and assigns, from any and all liability or financial loss,including legal expenses and costs of expert witnesses and consultants, resulting from any suits, claims, losses or actions brought by any person or persons, by reason of injury to persons or property arising directly or indirectly from the negligent acts, errors or omissions, or

willful misconduct of Contractor, including its officers, agents, employees, subcontractors or any person employed by Contractor, in the performance of this Agreement, by executing the Indemnification and Hold Harmless Agreement and Waiver of Subrogation and Contribution attached hereto as Exhibit D and incorporated herein by this reference. Consultant agrees that Consultant's covenant under this section shall survive the termination of this Agreement.

11. Contractor's Representations. Contractor represents that if it is a corporation, organized and existing under the laws of the State of California and represents and warrants that each individual executing this Agreement is duly authorized to execute and deliver this Agreement on behalf of said corporation in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the bylaws of said corporation, and that this Agreement is binding upon said corporation in accordance with its terms.

12. Insurance.

12.1. Contractor shall at all times during the term of this Advanced Reservation Dial-A-Ride (DAR) / Subscription Service, carry, maintain, and keep in force and effect, with an insurance company admitted to do business in California, rated "A" or better in the most recent Best□s Kay Insurance Rating Guide, and approved by the City:

Type of Insurance	Limits (combined single)
Commercial General Liability	$1,000,000 Per Occurrence $5,000,000 Annual Aggregate
Automobile Liability	$5,000,000 Per Accident
Workers compensation Liability	Statutory limitsEmployer's $1,000,000 Per Occurrence

(1) A policy or policies of broad-form commercial general liability insurance with minimum limits of $1,000,000 (one million dollars) combined single limit and five million dollars ($5,000,000) in the annual aggregate coverage against any injury, death, loss or damage as a result of wrongful or negligent acts by Contractor/Contractor, its officers, employees, agents, and independent contractors in performance of services under this Agreement;

(2) Automobile liability insurance for all vehicles used in the provision of service with minimum combined single limits coverage of five million dollars ($5,000,000) per accident.

(3) Workers compensation insurance with a minimum limit of $1,000,000 (one million dollars) or the amount required by law, whichever is greater on a form approved by the City Attorney. City, its officers, employees, attorneys, and designated volunteers shall be named as additional insureds on the policy (ies) as to commercial general liability bodily injury and property damage coverages and automobile coverages with respect to liabilities arising out of Contractors work under this Agreement.

12.2 Each insurance policy required by this Section 12 shall be endorsed as follows: (1)

the insurer waives the right of subrogation against City and its officers, employees, agents and representatives; (2) the policies are primary and non-contributing with any insurance that may be carried by City; and (3) the policies may not be canceled or materially changed except after thirty (30) days prior written notice by insurer to City.

12.3 All insurance coverages shall be confirmed by execution of endorsements on the forms attached hereto and incorporated herein as Exhibits A, B and C. Contractor is required to file the completed policy endorsements with City on or before the Effective Date of this Agreement, and to thereafter maintain current endorsements on file with City. The completed endorsements are subject to the approval of City. If for any reason it shall not be possible to obtain endorsements on City's forms, the underlying insurance policies are nonetheless required to include the terms and conditions set forth on City's forms unless otherwise agreed by the City' Chief Administrative Officer.

13. Drug and Alcohol Compliance Certification.

13.1 Contractor shall, at all times during the term of this Agreement, comply with the City's mandatory controlled substance and alcohol testing certification program for taxicab drivers adopted in accordance with the provisions of California Government Code Section 53075.5 (b)(3)(A). and the requirements of the Federal Transit Administration (FTA) drug and alcohol testing rules, including, without limitation, Title 49 of the Code of Federal Regulations (CFR), Part 654 (Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations) and Part 40 (Procedures for Transportation Workplace Drug and Alcohol Testing Programs) and Contractor shall at all times during the term of this Agreement, comply with the FTA's drug and alcohol testing rules.

13.2 In providing transportation service or performing "safety-sensitive" functions for the City, Contractor shall comply with the standards adopted by the City for Drug and Alcohol Testing and set forth in Section 13 and shall meet the City's minimum requirements. As used in this section, "safety-sensitive" functions are defined as follows:

a. Operating a revenue service vehicle, even when not in revenue service;
b. Operating a non-revenue service vehicle, when it is required to be operated by a Commercial Driver's License (CDL) holder;
c. Controlling dispatch or movement of a revenue service vehicle;
d. Maintaining (including repairs, overhaul, and rebuilding) a revenue service vehicle or equipment used in revenue service;
e. Carrying a firearm for security purposes.

Note: Any supervisor who performs, or may be required to perform any of the functions listed above is also considered a safety-sensitive employee.

Contractor has the responsibility to review and analyze all job functions within the company to determine which job classifications are considered "safety-sensitive".

Contractor must certify that it has or will establish and implement a drug and alcohol testing program in accordance with the requirements of 49 CFR Part 40 and Part 655. Contractor must submit its drug and alcohol testing program to the City of Bell upon executing this Agreement.

City must certify annual compliance to FTA and shall provide assistance to Contractor in completing annual Management Information Systems (MIS) reports, therefore, Contractor shall, at all times during the term of this Agreement, comply with the following:

13.3 Contractor shall provide annual statistical reports, using the applicable forms required by the FTA, (for the year ending in December) to the City, by February 15 of each year. These reports include training records and statistics for all of the following required types of tests:

a. Pre-Employment
b. Random
c. Post – Accident
d. d Follow-up
e. Return to Duty

13.4 On Pre-Employment tests, Contractor shall provide the City with a complete list of covered employees with negative pre-employment test results, completed USDOT Federal Custody and Control Form (CCF) and completed USDOT Breath Alcohol Testing form. Results of testing shall be made available to the City upon request.

13.5 Contractor shall retain the following records for a five (5) year period:

a. Verified Positive Drug screen results
b. Alcohol Test Records of 0.02 or greater
c. Documentation of Refusal to take a required drug or alcohol test
d. Documentation of employee disputes
e. Evidential Breath Device calibration documentation
f. Employee evaluation and referrals
g. Annual MIS reports

13.6 Contractor shall retain the following records for a period of three (3) years:

a. Information obtained through previous employer record checks

13.7 Contractor shall retain the following records for a period of two years:

a. Records related to the collection process (excluding EBT Calibration)
b. Education and Training Records

13.8 Contractor shall retain the following records for a period of one year:

a. Alcohol test results of less than 0.02 b. Records of negative drug test results

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

15. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto; provided, however, that Contractor may not assign this Agreement or any of its rights or interests hereunder without the prior written consent of the City.

16. Cooperation. In the event any claim or action is brought against City relating to Contractor's performance or services rendered under this Agreement, Contractor shall render any reasonable assistance and cooperation, which City might require.

17. Termination. This Agreement may be terminated by either party with or without cause on thirty (30) days written notice to the other party. In addition, the City shall have the right to revoke or suspend this Agreement if Contractor violates any provision of the Agreement. In the event of termination, the City shall pay Contractor for all services rendered in compliance with the terms of this Agreement up to the date of termination and upon such payment being made City shall have no further obligation or liability whatsoever to Contractor. This clause shall not limit the liability of Contractor to the City for any damages suffered by the City in the event of breach of this Agreement by Contractor prior to such termination.

18. Amendment. This Agreement may be modified, amended or waived only in writing signed by both parties.

19. No Other Agreements. This Agreement contains all of the agreements between City and Contractor and replaces all prior oral agreements between them, provided however, that, Contractor agrees to be bound by and comply with all applicable provisions of federal, state or city laws, statues, ordinance, resolutions, and regulations now in effect or hereafter enacted or adopted.

20. Notices. Any notices, bills, invoices, or reports required by this Agreement shall be given by first class U.S. mail or by personal service. Notices shall be deemed received on (a) the day of delivery if delivered by hand or overnight courier service during Contractor's and City's regular business hours or by facsimile before or during Contractor's regular business hours; or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore set forth in the Agreement, or to such other addresses

as the parties may, from time to time, designate in writing pursuant to the provisions of this section.

All notices shall be delivered to the parties are the following addresses:

If to City:

City Clerk
City of Bell
6330 Pine Avenue
Bell, California 90201
Fax: (323) 588-6211

If to Contractor: _____
_____
_____
_____

21. Non-Waiver of Terms, Rights and Remedies. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Contractor constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Contractor, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

22. Attorney's Fees. In the event that either party to this Agreement shall commence any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover its costs of suit, including reasonable attorney's fees.

23. Non-Assignability; Subcontracting. Contractor shall not assign or subcontract all or any portion of this Agreement, unless otherwise approved by City. Any attempted or purported assignment or sub-contracting by Contractor shall be null, void and of no effect.

24. Compliance with Laws. Contractor shall comply with all applicable federal, state and local laws, ordinances, codes and regulations in the performance of this Agreement.

25. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

26. Entire Agreement. This Agreement, and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between Contractor and City. This Agreement supersedes all prior oral or written negotiations, representations or agreements. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by the parties which expressly refers to this Agreement.

IN WITNESS WHEREOF,the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

City of Bell

By:_____

xxxxxx
Mayor

Attest:

By:_____

Rebecca Valdez
City Clerk

Contractor:

By:_____

Name:
Title:

By:_____

Name:
Title:

EXHIBITA
PRICE/COST SHEET
ADVANCED RESERVATIONDIAL-A-RIDE/SUBSCRIPTION SERVICE

COSTCATEGORY	Option 1 Annual Costs (Contractor provides Vehicles)	Option 2 Annual Costs (City Provides Vehicles to Contractor).
ADMINISTRATIVE COSTS		
1.Management Wages	$	$
2.Fringes	$	$
3.Workers' Compensation	$	$
4. Office	$	$
5 Liability Insurance	$	$
6. Other (describe on separate sheet)		
OPERATING COSTS		
7.Supervisor Wages	$	$
8.Drivers Wages	$	$
9.Dispatcher Wages	$	$
10.Fringes	$	$
11.Uniforms	$	$
12. Training	$	$
13.Licenses	$	$
MAINTENANCE COSTS		
14.Mechanic Wages	$	$
15.Mechanic Fringes	$	$
16. Training	$	$
17.Parts/Supplies/Tires	$	$
18.ShopMaterials	$	$
19.Building/ShopMaintenance	$	$
20. Towing	$	$
OTHER EXPENSES		
21.Start-Up Costs	$	$
22.City&OtherFees or Taxes	$	$
23.Capital Costs -Specify	$	$
24. Other Costs - Specify	$	$
25.Utilities	$	$
26. Overhead	$	$
27.Profit	$	$
28. TOTAL COSTS (Sum of Lines1-27)	$	$
29.Vehicle Revenue Service Hours (Number of Vehicles _____ X 2946)		
30.HOURLY RATE(#28 divided by #29)	$	$

EXHIBIT B
CITY OF BELL
VEHICLE INVENTORY

1. The City of Bell owns the following fleet of vehicles that will be made available to the contractor if the City chooses to award the contract under option 2 described in section 1O.2 All vehicles meet Americans with Disabilities Act (ADA) requirements. The City will lease these Vehicles to the Contractor at the rate of one dollar ($1.00)per vehicle ,per year. Contractor shall detail in Exhibit A the maintenance cost of City-owned vehicles. The following is a list of City- Owned vehicles:

Vehicle No.	Year	Make	Model	VIN	Fuel Type	**Current Mileage
1	2010	Goshen		1GBJG31K391167918		
2	2010	Goshen		1GBJG31K091168718		
3	2010	Braun		2D8HN44E89R702833		

EXHIBIT C
LETTER OF TRANSMITTAL

LETTER OF TRANSMITTAL

City Clerk
City of Bell
6330 Pine Avenue
Bell, California 90201

SUBJECT: DIAL-A-RIDE (DAR)TRANSPORTATION SERVICES

In response to the subject Request for Proposal (RFP) and in accordance with the accompanying Instructions to Contractors, the Contractor hereby commits to the City of Bell to perform the work in accordance with the provisions in the RFP and any addenda thereto.

The Contractor agrees and stipulates that the Proposal constitutes a firm offer that cannot be withdrawn for one hundred eighty (180) calendar days from the proposal submittal or until the Contract for the work is fully executed between the City and a third party, whichever is earlier.

If awarded a contract, the Contractor agrees to execute the Agreement in the form included in the RFP and to deliver the executed Agreement to the City of Bell within seven (7) calendar days after receipt of a Letter of Award issued by the City, together with the necessary certificates of insurance and any applicable performance or payment bonds. The Contractor shall proceed with the work upon receipt of a written Notice to Proceed (NTP) from the City.

The Contractor certifies that it has:

1. Examined and is fully familiar with all the provisions of the RFP Documents and any addenda thereto; and
2. Satisfied itself as to the requirements of the Agreement, the nature and location of the work, the general and local conditions to be encountered in performance of the work, and all other matters that can in any way affect the work and/or the cost thereof; and
3. Examined the experience, skill and certification requirements in the Scope of Work/Specifications and that the entities performing the work can fulfill the specified requirements; and
4. Carefully reviewed the accuracy of all statements and figures shown in the Proposal and attachment hereto.

Therefore, the undersigned hereby agrees that the City of Bell will not be responsible for any errors or omissions in the Proposal.

The Contractor further certifies that:

1. The only persons, firms, corporations, joint ventures/partnerships, and/or other parties interested in the Proposal as principals are those listed as such in the Proposal Forms; and
2. The Proposal has been prepared without collusion with any other person, firm, corporation, joint venture/partnership, and/or other party.

The undersigned acknowledges receipt, understanding and full consideration of the following addenda to the Proposal Documents:

Addenda No(s)
Failure to acknowledge receipt of all addenda may cause the Proposal to be considered non-responsive to the solicitation. Acknowledged receipt of each addendum must be clearly established and included with the offer.

Addenda Numbers:
_____ *Date* _____
_____ *Date* _____
_____ *Date* _____
_____ *Date* _____
_____ *Date* _____
_____ *Date* _____

Contractors Name

Business Address _____

_____

Contact Person _____

Phone _____

Email Address _____

_____	_____
Signature of Authorized Official	Signature of Authorized Official
_____	_____
Typed or Printed Name	Typed or Printed Name
_____	_____
Title	Title
_____	_____
Date	Date

EXHIBIT D

ADDITIONAL INSURED ENDORSEMENT COMMERCIAL GENERAL LIABILITY

_____

Name and address of named insured ("Named Insured"):

_____

Name and address of Insurance Company ("Company"):

_____

General description of agreement(s), permit(s), license(s), and/or activity(ies) insured:

_____

Notwithstanding any inconsistent statement in the policy to which this endorsement is attached (the "Policy") or in any endorsement now or hereafter attached thereto, it is agreed as follows:

1. The City of Bell ("Public Agency"), its elected officials, officers, attorneys, agents, employees, and volunteers are additional insureds ("Above-Named Additional Insureds") under the Policy in relation to those activities described generally above with regard to operations performed by or on behalf of the Named Insured. The Above-Named Additional Insureds have no liability for the payment of any premiums or assessments under the Policy.

2. The insurance coverages afforded the Above-Named Additional Insureds under the Policy shall be primary insurance, and no other insurance maintained by the Above-Named Additional Insureds shall be called upon to contribute with the insurance coverages provided by the Policy.

3. Each insurance coverage under the Policy shall apply separately to each Above- Named Additional Insured against whom claim is made or suit is brought except with respect to the limits of the Company's liability.

4. Nothing in this contract of insurance shall be construed to preclude coverage of a claim by one insured under the policy against another insured under the policy. All such claims shall be covered as third-party claims, i.e., in the same manner as if separate policies had been issued to each insured. Nothing contained in this provision shall operate to increase or replicate the Company's limits of liability as provided under the policy.

5. The insurance afforded by the Policy for contractual liability insurance (subject to the terms, conditions and exclusions applicable to such insurance) includes liability assumed by the Named Insured under the indemnification and/or hold harmless provision(s) contained in or executed in conjunction with the written agreement(s) or permit(s) designated above, between the Named Insured and the Above-Named Additional Insureds.

6. The policy to which this endorsement is attached shall not be subject to cancellation, material change in coverage, or reduction of limits (except as the result of the payment of claims) below $1,000,000 combined single limit, except after written notice to Public Agency, by first class mail not less than thirty (30) days prior to the effective date thereof. In the event of Company's failure to comply with this notice provision, the policy as initially drafted will continue in full force and effect until compliance with this notice requirement.

7. Company hereby waives all rights of subrogation and contribution against the Above-Named Additional Insureds, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to the perils insured against in relation to those activities described generally above with regard to operations performed by or on behalf of the Named Insured regardless of any prior, concurrent, or subsequent non-active negligence by the Above-Named Additional Insureds.

8. It is hereby agreed that the laws of the State of California shall apply to and govern the validity, construction, interpretation, and enforcement of this contract of insurance.

9. This endorsement and all notices given hereunder shall be sent to Public Agency at:

City Clerk
City of Bell
6330 Pine Avenue
Bell, CA 90201

10. Except as stated above and not in conflict with this endorsement, nothing contained herein shall be held to waive, alter or extend any of the limits, agreements, or exclusions of the policy to which this endorsement is attached.

TYPE OF COVERAGES TO WHICH THIS ENDORSEMENT ATTACHES	POLICY PERIOD FROM/TO	LIMITS OF LIABILITY

11. Scheduled items or locations are to be identified on an attached sheet. The following inclusions relate to the above coverages. Includes:

- ☐ Contractual Liability
- ☐ Owners/Landlords/Tenants
- ☐ Manufacturers/Contractors
- ☐ Products/Completed Operations
- ☐ Broad Form Property Damage
- ☐ Extended Bodily Injury
- ☐ Broad Form Comprehensive
- ☐ General Liability Endorsement
- ☐ Explosion Hazard
- ☐ Collapse Hazard
- ☐ Underground Property Damage
- ☐ Pollution Liability
- ☐ Liquor Liability
- ☐ _____
- ☐ _____
- ☐ _____

12. A □ deductible or □ self-insured retention *(check one)* of $_____ applies to all coverage(s) except: _____ *(if none, so state).*

The deductible is applicable □ per claim or □ per occurrence *(check one).*

13. This is an □ occurrence or □ claims made policy *(check one).*

14. This endorsement is effective on _____ at 12:01 A.M. and forms a part of Policy Number _____.

I, _____ *(print name)*, hereby declare under penalty of perjury under the laws of the State of California, that I have the authority to bind the Company to this endorsement and that by my execution hereof, I do so bind the Company.

Executed _____, 20___

_____

Signature of Authorized Representative

(Original signature only; no facsimile signature or initialed signature accepted)

Phone No.: (_____) _____

EXHIBIT E

ADDITIONAL INSURED ENDORSEMENT AUTOMOBILE LIABILITY

_____

Name and address of named insured ("Named Insured"):

_____

Name and address of Insurance Company ("Company"):

_____

General description of agreement(s), permit(s), license(s), and/or activity(ies) insured:

_____

Notwithstanding any inconsistent statement in the policy to which this endorsement is attached (the "Policy") or in any endorsement now or hereafter attached thereto, it is agreed as follows:

1. The City of Bell ("Public Agency"), its officials, officers, attorneys, agents, employees, and volunteers are additional insureds ("Above-Named Additional Insureds") under the Policy in relation to those activities described generally above with regard to operations performed by or on behalf of the Named Insured. The Above-Named Additional Insureds have no liability for the payment of any premiums or assessments under the Policy.

2. The insurance coverages afforded the Above-Named Additional Insureds under the Policy shall be primary insurance, and no other insurance maintained by the Above-Named Additional Insureds shall be called upon to contribute with the insurance coverages provided by the Policy.

3. Each insurance coverage under the Policy shall apply separately to each Above- Named Additional Insured against whom claim is made or suit is brought except with respect to the limits of the Company's liability.

4. Nothing in this contract of insurance shall be construed to preclude coverage of a claim by one insured under the policy against another insured under the policy. All such claims shall be covered as third-party claims, i.e., in the same manner as if separate policies had been issued to each insured. Nothing contained in this provision shall operate to increase or replicate the Company's limits of liability as provided under the policy.

5. The insurance afforded by the Policy for contractual liability insurance (subject to the terms, conditions and exclusions applicable to such insurance) includes liability assumed by the Named Insured under the indemnification and/or hold harmless provision(s) contained or executed in conjunction with the written agreement(s) or permit(s) designated above, between the Named Insured and the Above-Named Additional Insureds.

6. The policy to which this endorsement is attached shall not be subject to cancellation, material change in coverage, or reduction of limits (except as the result of the payment of claims) below $1,000,000 combined single limit, or non-renewal except after written notice to Public Agency, by first class mail, not less than thirty (30) days prior to the effective date thereof. In the event of Company's failure to comply with this notice provision, the policy as initially drafted will continue in full force and effect until compliance with this notice requirement.

7. Company hereby waives all rights of subrogation and contribution against the Above-Named Additional Insureds, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to the perils insured against in relation to those activities described generally above with regard to operations performed by or on behalf of the Named Insured regardless of any prior, concurrent, or subsequent non-active negligence by the Above-Named Additional Insureds.

8. It is hereby agreed that the laws of the State of California shall apply to and govern the validity, construction, interpretation, and enforcement of this contract of insurance.

9. This endorsement and all notices given hereunder shall be sent to Public Agency at:

City Clerk
City of Bell
6330 Pine Avenue
Bell, CA 90201

10. Except as stated above and not in conflict with this endorsement, nothing contained herein shall be held to waive, alter or extend any of the limits, agreements, or exclusions of the policy to which this endorsement is attached.

TYPE OF COVERAGES TO WHICH THIS ENDORSEMENT ATTACHES	POLICY PERIOD FROM/TO	LIMITS OF LIABILITY

11. Scheduled items or locations are to be identified on an attached sheet. The following inclusions relate to the above coverages. Includes:

- ☐ Any Automobiles
- ☐ All Owned Automobiles
- ☐ Non-owned Automobiles
- ☐ Hired Automobiles
- ☐ Scheduled Automobiles
- ☐ Garage Coverage
- ☐ Truckers Coverage
- ☐ Motor Carrier Act
- ☐ Bus Regulatory Reform Act
- ☐ Public Livery Coverage
- ☐ _____
- ☐ _____

12. A ☐ deductible or ☐ self-insured retention *(check one)* of $_____applies to all coverage(s) except: _____*(if none, so state).*

The deductible is applicable ☐ per claim or ☐ per occurrence *(check one)*.

13. This is an ☐ occurrence or ☐ claims made policy *(check one)*.

14. This endorsement is effective on _____ at 12:01 A.M. and forms a part of Policy Number _____.

I, _____ *(print name)*, hereby declare under penalty of perjury under the laws of the State of California, that I have the authority to bind the Company to this endorsement and that by my execution hereof, I do so bind the Company.

Executed _____, 20___

_____

Signature of Authorized Representative
(Original signature only; no facsimile signature or initialed signature accepted)

Phone No.: (_____) _____

EXHIBIT F

ADDITIONAL INSURED ENDORSEMENT EXCESS LIABILITY

_____

Name and address of named insured ("Named Insured"):

_____

Name and address of Insurance Company ("Company"):

_____

General description of agreement(s), permit(s), license(s), and/or activity(ies) insured:

_____

Notwithstanding any inconsistent statement in the policy to which this endorsement is attached (the "Policy") or in any endorsement now or hereafter attached thereto, it is agreed as follows:

1. The City of Bell ("Public Agency"), its officials, officers, attorneys, agents, employees, and volunteers are additional insureds ("Above-Named Additional Insureds") under the Policy in relation to those activities described generally above with regard to operations performed by or on behalf of the Named Insured. The Above-Named Additional Insureds have no liability for the payment of any premiums or assessments under the Policy.

2. The insurance coverages afforded the Above-Named Additional Insureds under the Policy shall be primary insurance, and no other insurance maintained by the Above-Named Additional Insureds shall be called upon to contribute with the insurance coverages provided by the Policy.

3. Each insurance coverage under the Policy shall apply separately to each Above- Named Additional Insured against whom claim is made or suit is brought except with respect to the limits of the Company"s liability.

4. Nothing in this contract of insurance shall be construed to preclude coverage of a claim by one insured under the policy against another insured under the policy. All such claims shall be covered as third-party claims, i.e., in the same manner as if separate policies had been issued to each insu' limits of liability as provided under the policy.

5. The insurance afforded by the Policy for contractual liability insurance (subject to the terms, conditions and exclusions applicable to such insurance) includes liability assumed by the Named Insured under the indemnification and/or hold harmless provision(s) contained in or executed in conjunction with the written agreement(s) or permit(s) designated above, between the Named Insured and the Above-Named Additional Insureds.

6. The policy to which this endorsement is attached shall not be subject to cancellation, material change in coverage, reduction of limits (except as the result of the payment of claims) below $1,000,000 combined single limit, when added to the primary coverage to which the excess policy applies, or non-renewal except after written notice to Public Agency, by certified mail, return receipt requested, not less than thirty (30) days prior to the effective date thereof. In the event of Company's failure to comply with this notice provision, the policy as initially drafted will continue in full force and effect until compliance with this notice requirement.

7. Company hereby waives all rights of subrogation and contribution against the Above-Named Additional Insureds, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to the perils insured against in relation to those activities described generally above with regard to operations performed by or on behalf of the Named Insured regardless of any prior, concurrent, or subsequent non-active negligence by the Above-Named Additional Insureds.

8. It is hereby agreed that the laws of the State of California shall apply to and govern the validity, construction, interpretation, and enforcement of this contract of insurance.

9. This endorsement and all notices given hereunder shall be sent to Public Agency at:

City Clerk
City of Bell
6330 Pine Avenue
Bell, CA 90201

10. Except as stated above and not in conflict with this endorsement, nothing contained herein shall be held to waive, alter or extend any of the limits, agreements, or exclusions of the policy to which this endorsement is attached.

TYPE OF COVERAGES TO WHICH THIS ENDORSEMENT ATTACHES	POLICY PERIOD FROM/TO	LIMITS OF LIABILITY
☐ Following Form		
☐ Umbrella Liability		
☐ _____		

11. Applicable underlying coverages:

INSURANCE COMPANY	POLICY NO.	AMOUNT

12. The following inclusions, exclusions, extensions or specific provisions relate to the above coverages:

13. A ☐ deductible or ☐ self-insured retention *(check one)* of $_____applies to all coverage(s) except: _____*(if none, so state).*

The deductible is applicable ☐ per claim or ☐ per occurrence *(check one).*

14. This is an □ occurrence or □ claims made policy *(check one)*.

15. This endorsement is effective on _____ at 12:01 A.M. and forms a part of Policy Number _____.

I, _____ *(print name)*, hereby declare under penalty of perjury under the laws of the State of California, that I have the authority to bind the Company to this endorsement and that by my execution hereof, I do so bind the Company.

Executed _____, 20___

_____

Signature of Authorized Representative
(Original signature only; no facsimile signature or initialed signature accepted)

Phone No.: (_____) _____

City of Bell
Agenda Report

DATE: January 11, 2012

TO: Mayor and Members of the City Council

FROM: Arne Croce, Interim Chief Administrative Officer

APPROVED BY:

Arne Croce, Interim Chief Administrative Officer

SUBJECT: Appointment of Patricia Healy as Interim City Clerk

RECOMMENDATION

The City Council appoint Patricia Healy as Interim City Clerk during the maternity leave of City Clerk Rebecca Valdez

BACKGROUND

Section 701 of the Bell City Charter provides that the City Council appoint the City Clerk. The current City Clerk, Rebecca Valdez, will be taking maternity leave for approximately six months beginning in late January. To cover this extended leave it is necessary for the Council to appoint an interim City Clerk.

Patricia Healy is recommended for this appointment. Ms. Healy brings outstanding skills and experience to this position. She served as City Clerk for the City of Santa Ana for nine years and worked in the City of Los Angeles' Office of the City Clerk sixteen years, including three years as Executive Officer. Ms. Healy's resume is attached.

Ms. Healy was brought on board as a temporary employee in December. This has allowed her to develop an understanding of the systems and practices used in the City of Bell. Her appointment is intended to last approximately six months. She will be paid at the rate of $40 per hour and receive vacation and sick leave at the following respective rates: Vacation—6.4640 biweekly hours; sick leave—3.6960 biweekly hours. She will receive no other benefits.

Financial Impact

Assuming full time work for six months, the maximum cost for interim City Clerk service would be $41,600. Given the unpaid status of the majority of Ms. Valdez's maternity leave, the costs will be substantially covered from the Administration Support budget (Account #: 05-521-0225). Any cost beyond what can be accommodated in the Administration Support budget will be covered by the Transition Support budget (Account #: 01-521-0900).

Attachment
Resume of Patricia Eileen Healy

PATRICIA EILEEN HEALY

EXPERIENCE

CITY OF SANTA ANA –CLERK OF THE COUNCIL OFFICE
Clerk of the Council, January 2000 to August 2009

Provide leadership in developing, planning and implementing departmental goals and objectives; plan, direct, coordinate, and review all activities related to maintaining City Council records and official archives, prepare reports regarding the various activities of the Clerk of the Council Office; recommend and administer policies and procedures in accordance with the City Charter, Municipal Code, or State and Federal mandates; participate on City's Executive Management Team.

Attend all City Council meetings; conduct all City special and general elections in accordance with the City Charter and the State's Elections Code provisions; oversee compliance with the Political Reform Act and all required filings.

Act as custodian of the City Seal, City Charter, minutes, ordinances, resolutions, and Santa Ana Municipal Code, and electronic indexes to same; administer oaths, and process claims and summons; manage the City's repository of contracts, and other legislative documents.

Oversee Board and Commission appointments; provide training to board and commission recording secretaries relative to standardizing agendas and minutes; interface with elected officials, the City's executive managers, other government agencies, and the public.

LAST SALARY: $127,000 ANNUALLY

CITY OF LOS ANGELES – OFFICE OF THE CITY CLERK
Executive Officer, August 1997 to January, 2000

Plan, organize, and direct, through division heads, the work of employees (408 employees) engaged in performing the activities and providing the services of the City Clerk's Office, including tax and permit audit and enforcement, council and public services, systems, election activities, property records retention and maintenance, City records management, and fiscal and personnel activities for the City Clerk, Mayor, the fifteen City Council offices, and the Chief Legislative Analyst, subject to the policies and directives of the City Clerk.

Act with full responsibility in the absence of the City Clerk; responsible for ensuring that all department program objectives and goals are met or exceeded; meet regularly with

division managers to discuss activities and set priorities; work closely with City Councilmembers and Mayor's staff to expedite projects, ordinances, and programs affecting the City Clerk's Office; represent the City Clerk before Council and/or Council Committees on legislative matters impacting department operations.

Manage the meetings of the City Council, its fifteen regular Council Committees, and various Ad Hoc Committees, and keep the public informed of the actions of the Council; supervise maintenance of and control over official City archives and records; direct the conduct of City, Board of Education, and Community College District elections, and the official canvassing of all votes cast; administer programs for controlling and safekeeping public documents, contracts, records, claims, and the City Seal; manage the record keeping functions for indexing and filing of City documents; manage the information system needs of the City Clerk and Council

LAST SALARY: $127,000 ANNUALLY

CITY OF LOS ANGELES – OFFICE OF THE CITY CLERK
Chief Management Analyst, August, 1984 to August, 1997

Direct the day-to day activities of the Council and Public Services Divison which is involved in serving the City Council, its Committees, City agencies, and the public; maintain Council files and official City documents filed with the City Clerk; supervise professional staff assigned to assist the Council, including maintaining records of all matters introduced or presented to the Council and its Committees, preparing agendas and detailed factual reports, and related work; review all communications, reports, correspondence and agendas prior to release for accuracy and completeness; refer all legislative matters to proper Council Committee or City Agency; act as Clerk of the City Council; direct the activities of all personnel (35 positions) involved with processing the business of the City Council.

Monitor compliance with state, federal and city mandates with respect to public notification; responsible for monitoring compliance with the California State Brown Act including adherence to posting, notification and public testimony requirements; ensure that legislative procedures are followed in the Council meetings and ensure that Council actions on matters considered by the Council are properly recorded and published; personally participate in drafting statutes and procedures that will impact the legislative process; City Clerk representative on Public Information Network Committee.

Coordinate and direct the processing of ballot measures submitted to voters at City elections, and special consolidated elections; develop guidelines for preparation of ballot arguments for and against all ballot measures; ensure compliance with City and State mandates with respect to notification requirements.

LAST SALARY: $95,000 ANNUALLY

CITY OF LOS ANGELES – VARIOUS DEPARTMENTS AND POSITIONS
June, 1969 to August 1984

Worked in two Departments, Office of the City Clerk and Public Works Department in various administrative, supervisory, or management positions; primary focus was on budget administration, research, public outreach programs and general office management.

LAST SALARY: $44,000 ANNUALLY

EDUCATION

ARIZONA STATE UNIVERSITY
Bachelor of Science, Political Science, January, 1968
Graduation With Honors

ARIZONA STATE UNIVERSITY
Course work completed towards Master of Arts program in Quantitative Research – Political Science, 1969
Graduate Research Assistant
Member, Phi Kappa Phi Honor Society

CALIFORNIA STATE UNIVERSITY – LOS ANGELES
Master of Public Administration, 1991
Member, Phi Kappa Phi Honor Society
Alumni Certificate of Honor – Outstanding Political Science MS in Public Administration for 1991

UNIVERSITY OF CALIFORNIA – LOS ANGELES – JOHN E. ANDERSON GRADUATE SCHOOL OF MANAGEMENT
Executive Program in Management, May, 1994

SKILLS AND ACHIEVEMENTS

- Excellent interpersonal communication skills
- Exercise independent judgment and strong management skills
- Strong technical skills in the area of computer and network operations, imaging systems, and internet applications
- Good oral and written communication skills

City of Bell
Agenda Report

DATE: January 11, 2012

TO: Mayor and Members of the City Council

FROM: Rebecca Valdez, CMC, City Clerk

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Consideration of a Resolution Setting the Dates and Times of the City Council's Regular Meetings for February through December 2012.

RECOMMENDATION:

That the City Council adopt Resolution No. 2012-02.

DISCUSSION:

Section 506 of the City of Bell's Charter provides that the "City Council shall hold regular meetings at least once each month" and at times fixed by a resolution. Accordingly, the staff responses the following schedule for the Council's regular meetings for February through December 2012.

Wednesday, February 1, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, February 15, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, March 7, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, March 21, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, April 4, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, April 18, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, May 2, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, May 16, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, June 6, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, June 20, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, July 18, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, August 1, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, August 15, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

*Tuesday, September 4, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, September 19, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, October 3, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, October 17, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, November 7, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

**Tuesday, November 20, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, December 5, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

The staff also recommends to hold the following schedule for special meetings if needed.

Wednesday, February 22, 2012 at 7:00 PM
Wednesday, March 28, 2012 at 7:00 PM
Wednesday, April 25, 2012 at 7:00 PM
Wednesday, May 23, 2012 at 7:00 PM
Wednesday, June 27, 2012 at 7:00 PM
Wednesday, July 25, 2012 at 7:00 PM
Wednesday, August 22, 2012 at 7:00 PM
Wednesday, September 26, 2012 at 7:00 PM
Wednesday, October 24, 2012 at 7:00 PM
Wednesday, November 28, 2012 at 7:00 PM
Wednesday, December 19, 2012 at 7:00 PM

ATTACHMENTS

Resolution No. 2012-02

**(Intentionally scheduled on a Tuesday as Council will be at the Annual League of California Cities Conference in San Diego, California)*
***(Intentionally scheduled on a Tuesday as Wednesday is the eve of the Thanksgiving Holiday)*

RESOLUTION NO. 2012-02

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL SETTING THE DATES AND TIMES OF THE CITY COUNCIL'S REGULAR MEETINGS FOR FEBRUARY THROUGH DECEMBER 2012.

WHEREAS, the City of Bell's Charter authorizes the City Council of the City of Bell ("the City") to set and fix the dates and times for the regular meetings of the Council; and

WHEREAS, Section 506 of the City of Bell's Charter that the "City Council shall hold regular meetings at least once each month" and at times fixed by a resolution; and

WHEREAS, the City Council desires to set the dates and times for the regular meetings for February through December 2012; and

THE CITY COUNCIL OF THE CITY OF BELL DOES HEREBY FIND AND RESOLVE AS FOLLOWS:

SECTION 1. FEBRUARY THROUGH DECEMBER 2012 SCHEDULE OF CITY COUNCIL MEETINGS.

Pursuant to Section 506 of the City of Bell's Charter, the City Council fixes and sets the following dates and times for the Council's regular meetings during February through December 2012:

Wednesday, February 1, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, February 15, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, March 7, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, March 21, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, April 4, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, April 18, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, May 2, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, May 16, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, June 6, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, June 20, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, July 18, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, August 1, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, August 15, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Tuesday, September 4, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, September 19, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, October 3, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, October 17, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, November 7, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Tuesday, November 20, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

Wednesday, December 5, 2012 at 6:00 PM Closed Session and 7:00 PM Open Session

SECTION 2. FEBRUARY THROUGH DECEMBER TENTATIVE SCHEDULE OF SPECIAL CITY COUNCIL MEETINGS.

The City Council wishes to hold the following dates and times for the Council's special meetings during February through December 2012 calendar year if needed:

Wednesday, February 22, 2012 at 7:00 PM

Wednesday, March 28, 2012 at 7:00 PM

Wednesday, April 25, 2012 at 7:00 PM

Wednesday, May 23, 2012 at 7:00 PM

Wednesday, June 27, 2012 at 7:00 PM

Wednesday, July 25, 2012 at 7:00 PM

Wednesday, August 22, 2012 at 7:00 PM

Wednesday, September 26, 2012 at 7:00 PM

Wednesday, October 24, 2012 at 7:00 PM

Wednesday, November 28, 2012 at 7:00 PM

Wednesday, December 19, 2012 at 7:00 PM

SECTION 3. EFFECTIVE DATE.

This Resolution shall take effect immediately upon adoption.

SECTION 4. SEVERABILITY CLAUSE.

The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

PASSED, APPROVED AND ADOPTED this 11th day of January, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Ali Saleh, Mayor

ATTEST:

_____
Rebecca Valdez, CMC, City Clerk

APPROVED AS TO FORM:

_____
Dave Aleshire, City Attorney

City of Bell
Agenda Report

DATE: January 11, 2012

TO: Mayor and Members of the City Council
Chairman and Commissioners of the Board of the Bell Community Housing Authority

FROM: Debra Kurita, Interim Community Services Director

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Approve an Appropriations Adjustment allocating $57,259 in Bell Community Housing Authority funds and authorize payment for improvements completed to the Restroom and Shower Facility at Bell Mobile Home Park by Medina Construction.

RECOMMENDATION:

That the City Council consider and approve an Appropriations Adjustment recognizing $57,259 in Bell Community Housing Authority fund balance and authorize the payment for improvements completed to the Restroom and Shower Facilities at Bell Mobile Home Park to Medina Construction (account no. 90-521-0200-0925).

BACKGROUND AND DISCUSSION:

In 1995 the City acquired the properties that were incorporated into two mobile home parks: Bell Mobile Home Park (BMHP) located at 4874 Gage Avenue and the Florence Village Mobile Home Park located at 5162-5246 Florence Avenue. In 1995 the City also activated the Bell Community Housing Authority (BCHA) which was established pursuant to the California Housing Authorities Law and formed to assist the City in financing the acquisition and construction of low and moderate income housing within the City. The operations and management of the mobile home parks are governed by the City Council sitting as the BCHA Board of Commissions and assigned to the Community Services Department. That Authority contracted with a private firm, Municipal Management Services, to manage the mobile home parks from the acquisition of the properties until October, 2010.

During the 2009-10 fiscal year, the property manager and City staff identified a number of capital improvements that were necessary for ensuring the health and safety of the residents of the mobile home parks. One of the facilities that was in a state of disrepair was the Restroom and Shower Facilities at the Bell Mobile Home Park. In approximately April, 2009, the property manager, with the authorization of the Community Services Director, instructed Medina Construction to perform the remodeling and repair of these facilities. The project involved the demolition and remodeling of the interior of both the Men's and Women's restroom and shower facilities; the installation of copper piping; the construction of showers for each facility,

including ones that are handicapped accessible; and the installation of electrical wiring. The work on the project began in April 2009 and was completed in January of 2010.

Sometime after the completion of the construction of these facilities, the invoices for the costs associated with the project were presented to the Interim Chief Administrative Officer, Mr. Carrillo. At that time, Mr. Carrillo instructed Mr. Medina to keep the invoices as the City was in the process of transition. City staff, the former Property Manager and Mr. Medina attest, and a review of the financial records of the Authority confirms, that the payment for the work performed on this project was never processed.

In November, the invoices were resubmitted to the City and are attached as Exhibit A. The City Engineer's firm has reviewed the invoices and the facilities and determined that the cost "appears to be very reasonable for the amount of work accomplished and in line with the industry costs for this work." The letter from the City Engineer's firm is attached as Exhibit B. Given these circumstances, it is recommended that the BCHA Board authorize the payment to Medina Construction for the improvements to the Bell Mobile Home Park Restroom and Shower Facilities.

FINANCIAL IMPACT

Currently, there is an unappropriated fund balance of $966,970 available in the Bell Community Housing Authority Operating Fund. The proposed appropriation adjustment will allocate $57,259 in these funds to the payment for the improvements completed to the Bell Mobile Home Park Restroom and Shower Facilities by Medina Construction.

Invoice

MEDINA CONSTRUCTION

8227 PHLOX ST.
DOWNEY, CA. 90241

Date	Invoice #
11/28/2011	P9824C

Bill To
CITY OF BELL 6330 PINE AVE. BELL, CA. 90201

Terms
Due on receipt

Quantity	Description	Rate	Amount
	BELL MOBILE HOME PARK MEN'S BATHROOM REMOLDING DEMOLITION	2,043.75	2,043.75
	INSTALL ALL NEW COPPER WATER PIPES INSTALL ALL NEW SEWER PIPES	4,900.00	4,900.00
	DRYWALL AND INSULATION 877 S. F.	4,604.25	4,604.25
	ALL NEW ELECTRICAL WIRING TWO CEILING LIGHTS TWO EXTRACTORS WITH LIGHTS TWO EXTRACTORS NO LIGHTS	4,200.00	4,200.00
	INSTALL TWO WATER CLOSETS	1,250.00	1,250.00
	INSTALL TWO SINKS	525.00	525.00
	INSTALL TWO SHOWERS ONE OF THEM TO BE HANDICAP	625.00	625.00
	INSTALL FOUR SWINGING DOORS	3,085.00	3,085.00
	INSTALL ONE EXTERIOR DOOR	725.00	725.00
	INSTALL IN PLACE 450 S.F.	6,850.00	6,850.00
	INSTALL ONE URINAL	525.00	525.00

CAO Approval: _____
Date: _____
Pymt Validated: _____
Acct No: _____
Dept: _____

SERVICING THE CITY OF BELL WITH PRIDE

Total $29,333.00

Invoice

MEDINA CONSTRUCTION

8227 PHLOX ST.
DOWNEY, CA. 90241

Date	Invoice #
11/28/2011	P9823C

Bill To
CITY OF BELL 6330 PINE AVE. BELL, CA. 90201

Terms
Due on receipt

Quantity	Description	Rate	Amount
	OMENS BATHROOMS BELL MOBIL HOME PARK BATHROOM REMODELING AND DEMOLITION	2,043.75	2,043.75
	INSTALL ALL NEW COPPER PIPING INCLUDING ALL NEW SEWER	4,200.00	4,200.00
	DRYWALL INSTALLATION 877 S. F.	4,604.25	4,604.25
	INSTALL TWO TOILETS	1,250.00	1,250.00
	INSTALLATION OF TWO SINKS	525.00	525.00
	INSTALLATION OF TWO SHOWER ONE TO BE HANDYCAP	625.00	625.00
	INTALL FOUR SWINGING DOORS	3,085.00	3,085.00
	NEW ELECTRICAL WIRING INSTALL 2 CEILING LIGHTS PLUS 2 EXTRACTORS WITH LIGHT	4,200.00	4,200.00
	ONE 36 " EXTERIOR DOOR	725.00	725.00
	INSTALL IN PLACE 436 S. F. OF TILE	6,668.00	6,668.00
	CAO Approval: _____ Date: _____ Pymt Validated: _____ Acct No: _____ Dept: _____		

SERVICING THE CITY OF BELL WITH PRIDE

Total $27,926.00

Exhibit B

December 21, 2011

City of Bell
6330 Pine Ave.
Bell, CA 90201

Re: City of Bell Mobile Home Park Restroom Improvements.

I met with Christina Pena with the City of Bell to review 2009 / 2010 improvements made to a Men's and Women's restroom and invoices for the work. Christina provided me with copies of the invoices. I viewed the remodeled restrooms as well two restrooms that were not improved. This comparison provided information as to the scope of the improvements made.

The contractor's invoice number P9824C covered improvements to the Men's restroom and invoice number P9823C covered work on the Women's Restroom. As a part of my review of the invoices I noted the itemized scope of work. I used the fact that the work was performed over 1 year ago in evaluating the work.

I noted the installation of newer fixtures and appurtenances and believe that the items listed on the invoices were in fact completed. I removed the shower handle cover plate in an attempt to verify that the copper piping was used. I was able to see copper piping and believe that new copper piping was used for these improvements.

The price for each restroom improvements indicated on the invoices appears to be very reasonable for the amount of work accomplished and in line with the industry costs for this work.

Should you have any questions or concerns regarding this review, please do not hesitate to contact me at your earliest convenience

Sincerely,

Tom Marnocha
Municipal Services
Interwest Consulting Group
(714) 386-8289

15061 SPRINGDALE STREET SUITE 205 · HUNTINGTON BEACH, CALIFORNIA 92649
TEL. 714.899.9039 · FAX.714.899.9146

City of Bell
Agenda Report

DATE: January 11, 2012

TO: Mayor and Members of the City Council

FROM: Debra Kurita, Interim Community Services Director

APPROVED BY: _____
Arne Croce, Interim Chief Administrative Officer

SUBJECT: Public Hearing - Community Development Block Grant FY 2012-13 Allocation

RECOMMENDATION:

1. Conduct the Public Hearing for appropriation of the Fiscal Year 2012-13 Community Development Block Grant Program, and
2. Approve a Resolution identifying the CDBG projects and budget for funding during the 2012-13 Program Year.

BACKGROUND AND DISCUSSION:

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

The CDBG Program has three primary objectives:

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

The CDBG funding for smaller cities, those with a population under 50,000, is administered through counties; the City of Bell's funding is programmed through the Los Angeles County Community Development Commission (LACDC). The City of Bell and all of the participating cities have been instructed to begin formulating projects for the upcoming 2012-13 program year. The list of projects and accompanying budget for the new program year is due to LACDC at the end of January. The City of Bell's projects and budget will ultimately become part of the Los Angeles County's CDBG program application to HUD. Prior to approval of the programs and budget, a public hearing is required to receive and consider community input on the proposed CDBG program.

AGENDA ITEM NO.

The LACDC estimates that the City of Bell will receive approximately $467,230 in new CDBG funds. This amount is a substantial decrease from the current allocation; it represents a reduction of 22.4 percent from the $602,037 the City received in the current program year. The bulletin from LACDC identifying the allocation for each of the participating cities and providing a series of questions and answers from HUD explaining the impact of the census data on the allocations for the 2012-13 program year is provided as Exhibit A. Also, a letter from the Executive Director of LACDC reiterating the allocation process and the impact on the agency and the participating cities is attached as Exhibit B.

In addition to the allocation of new CDBG funds, the City has annually received an appropriation of prior year's funds. Staff is projecting that approximately $220,490 may be available to apply to the City's CDBG funded programs. If the final grant allocation is increased or decreased by HUD, the City of Bell may adjust the CDBG budget accordingly. If the allocation will accommodate additional projects, the City may add new programs or projects and adjust the budget through a public hearing process during the year.

The CDBG funds may be used for a variety of community development activities such as residential rehabilitation, handyworker programs, lead paint testing and abatement, park improvements, public works improvements, code enforcement, public services and accessibility projects. The types of projects that are either eligible or ineligible for the use of CDBG funds are outlined in Exhibits C and D.

There are a number of restrictions and requirements related to programs eligible for CDBG funding. One of these requirements is that not more than 15 percent of the City's annual allocation of new funds may be appropriated for activities that are classified by HUD as public services. These programs include recreation and education programs, public safety services, drug abuse counseling and graffiti removal services.

Additionally, the LACDC has notified the participating cities that effective with the FY 2012-13 program year, it will no longer allocate administrative authority to the cities for the CDBG programs. This policy change will require all of the funds to be used in direct support of project costs. Therefore, the proposed projects for the upcoming program year does not include an administrative program.

Proposed Projects and Budgets for the 2012-2013 Program Year

The City will receive $467,230 in new FY 2012-13 CDBG funds and estimates that $220,490 will be available in prior years' funds to allocate to eligible programs. Staff recommends that the CDBG funds be allocated for the following projects:

1. *Lead Based Paint/Hazard Test/Abatement Program* *$ 41,470*

   To provide funding for lead-based paint and lead hazard testing, and abatement costs in conjunction with the Residential Rehabilitation and Handyworker Programs. Testing for lead-based paint and removal of lead-based paint including lead hazard materials are required under the Community Development Block Grant Program. The recommended funding level for this program would combine $16,980 in new CDBG funds with $24,490 in prior years' funds.

2. *Residential Rehabilitation Program* *$290,825*

   To provide grants to low- and moderate-income homeowners; the single-family residential homeowners who qualify for this program can receive a maximum of $15,000 for eligible improvements and mobile home owners may be granted a maximum of $8,000. The recommended funding level for this program is a combination of $167,825 in new CDBG funds and $123,000 in prior years' funds.

3. *Handyworker Program* *$127,105*

   To provide funding for City staff, equipment and supplies necessary to perform handyman services to low- and moderate-income homeowners. The recommended funding level for this program is a combination of $119,105 in new CDBG funds and $8,000 in prior years' funds.

4. *Code Compliance Program* *$158,235*

   To provide comprehensive code compliance in deteriorating or deteriorated areas throughout the City. This funding level provides for code compliance personnel. The recommended funding level for this program is a combination of $93,235 of new CDBG funds and $65,000 in prior years' funds.

5. *Graffiti Removal Program* *$70,085*

   To provide funding for the graffiti removal contractor to remove graffiti from public and private property. The funding level for this program is subject to the 15 percent public service cap.

As the prior years' funding is an estimate from staff, the subject resolution adopts the allocation by specifying the amounts of both the new CDBG monies and the anticipated funding from prior years' funds for each project.

FINANCIAL IMPACT

The funding for the CDBG Program is received from the U.S. Department of Housing and Urban Development through the Los Angeles Community Development Commission. There is no impact on the General Fund by this action.

Attachments:
Resolution
Exhibit A– CDBG Bulletin Number 11-0032
Exhibit B– Letter from Community Development Commission Executive Director dated December 27, 2011
Exhibit C – Eligible CDBG Activities
Exhibit D - Ineligible CDBG Activities
Public Hearing Notice

RESOLUTION NO. 2012-03

A RESOLUTION OF THE BELL CITY COUNCIL APPROVING THE CITY'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2012-2013

WHEREAS, on August 22, 1974, the President of the United States signed into law the Housing and Community Development Act of 1974 (Act); and

WHEREAS, the primary goals of Title I of the Act are the development of viable urban communities by providing decent housing and a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income; and

WHEREAS, the City of Bell has received notification of the availability of new Fiscal Year 2012-2013 Federal Community Development Block Grant (CDBG) funds in the amount of $470,230; and

WHEREAS, staff estimates that an additional $220,490 in Unallocated Prior Years' Community Development Block Grant funds will be available for a total of $687,720 to further the attainment of these goals during Fiscal Year 2012-2013; and

WHEREAS, the City has posted information regarding eligible activities under the Act and has conducted a public hearing to solicit comments and suggestions from the community for the utilization of these funds.

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

Section 1. That the City allocates its available Community Development Block Grant funds for the projects and programs as noted on Attachment 1.

Section 2. That the Interim Chief Administrative Officer and/or his designee are authorized and directed to submit the City's final Planning Summary for Fiscal Year 2012-2013.

Section 3. That the Interim Chief Administrative Officer and/or his designee are authorized to adjust the program budget as necessary to take into account the final CDBG allocation from the U.S. Department of Housing and Urban Development (HUD) and any amounts remaining unspent at the close of the fiscal year.

Section 4. That the Interim Chief Administrative Officer and/or his designee are authorized to execute the contractual and related documents to be prepared by the County of Los Angeles that are required for the implementation of the projects/ programs set forth herein.

Section 5. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED, APPROVED, AND ADOPTED this 11th day of January 2012.

Ali Saleh, Mayor

ATTEST:

Rebecca Valdez, CMC, City Clerk

APPROVED AS TO FORM:

David Alshire, City Attorney

I, Rebecca Valdez, City Clerk of the City of Bell, hereby certify that the above and foregoing resolution was duly adopted by the Bell City Council at its regular meeting held on the 11th day of January 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Rebecca Valdez, CMC, City Clerk

Attachment 1

CITY OF BELL
FY 2012-2013 CDBG Program

	2012-13 Funds	Prior Years' Funds	Total
1. Lead Based Paint/Hazard Test/ Abatement Program	$ 16,980	$ 24,490	$ 41,470
2. Residential Rehabilitation Program	$167,825	$123,000	$290,825
3. Handyworker Program	$119,105	$ 8,000	$127,105
4. Code Compliance Program	$ 93,235	$ 65,000	$158,235
5. Graffiti Removal	$ 70,085	0	$ 70,085
	$467,230	**$220,490**	**$687,720**

LOS ANGELES COUNTY

CDBG BULLETIN

COMMUNITY DEVELOPMENT COMMISSION • 2 Coral Circle • Monterey Park, California 91755

NUMBER: 11-0032	SUBJECT:	FISCAL YEAR 2012-2013 COMMUNITY DEVELOPMENT BLOCK GRANT PLANNING ESTIMATES	
DATE: December 22, 2011	EFFECTIVE DATE: IMMEDIATELY		PAGE 1 OF 1

TO: PARTICIPATING CITIES

The Community Development Block Grant (CDBG) Division is transmitting the Fiscal Year (FY) 2012-2013 Los Angeles Urban County Allocations for participating cities planning estimates (attached), and are now available in the Planning Summary Module. These allocations reflect a substantial decrease from your current allocations. In addition, we have attached a document from the U.S. Department of Housing and Urban Development explaining the impact of census data on the FY 2012-2013 CDBG allocation, which affected our allocation.

If your city wishes to exchange its FY 2012-2013 CDBG funds, please include language in the exchange agreement that will allow you to adjust the CDBG funds being transferred and the amount of general funds being received. A list of those cities interested in receiving general funds as well as receiving additional CDBG funds will be released soon.

Should you have any questions, please contact Raymond White, Analyst, at (323) 890-7167 or Raymond.White@lacdc.org.

Sincerely,

Terry Gonzalez

TERRY GONZALEZ, Director
Community Development Block Grant Division

TG:LJ:HR:RDW:rb
K:\CDBG COMMON\GPA\PAT Bulletins\FY 2012-13 PlngEst.docx

Attachments

FISCAL YEAR 2012-2013 LOS ANGELES URBAN COUNTY PLANNING ESTIMATE ALLOCATIONS FOR PARTICIPATING CITIES

Cities with CDBG amounts set-aside for Section 108 Loan payments are in **bold**.

CITY	ALLOCATION
AGOURA HILLS	$63,020
ARCADIA	284,034
AVALON	22,936
AZUSA	424,745
BELL	467,230
BELL GARDENS	599,312 **-558,488** 10,824
BEVERLY HILLS	180,392
BRADBURY	2,737
CALABASAS	65,141
CERRITOS	189,685
CLAREMONT	145,819
COMMERCE	126,348
COVINA	304,342
CUDAHY	333,784
CULVER CITY	212,838 **-156,104** 56,734
DIAMOND BAR	247,316
DUARTE	143,124
EL SEGUNDO	61,754
HAWAIIAN GARDENS	168,027
HERMOSA BEACH	66,307
IRWINDALE	12,136
LA CANADA-FLINTRIDGE	70,851
LA HABRA HEIGHTS	15,899
LA MIRADA	205,843
LA PUENTE	406,540
LA VERNE	114,711
LAWNDALE	308,206
LOMITA	130,190
MALIBU	54,260
MANHATTAN BEACH	102,913
MAYWOOD	360,535
MONROVIA	260,922
RANCHO PALOS VERDES	127,447
ROLLING HILLS ESTATES	20,185

CITY	ALLOCATION
SAN DIMAS	140,829
SAN FERNANDO	249,291 -347,315 -98,074
SAN GABRIEL	342,885
SAN MARINO	47,076
SANTA FE SPRINGS	123,677
SIERRA MADRE	33,822
SIGNAL HILL	86,590
SOUTH EL MONTE	222,041
SOUTH PASADENA	105,988
TEMPLE CITY	207,236
TORRANCE	621,800
WALNUT	130,854
WEST HOLLYWOOD	218,352
WESTLAKE VILLAGE	22,125

12.12.11 – 2010 Census Data Impact on Formula Grants – CDBG and HOME

Background

American Community Survey is New Annual Data Source for CDBG, HOME, and (in 2013) ESG.

- The law implementing the Community Development Block Grant (CDBG) program calls for using "the most recent data compiled by the United States Bureau of the Census" for allocating the CDBG funds (42 U.S.C. 5302 (b)).
- In accordance with this mandate, FY2012 marks the first year that the CDBG allocation formula will rely on the Census Bureau's new annual data source—the American Community Survey (ACS)—and the 2010 Census population counts.
- Similarly HOME requires the formula to most recent census data, which likewise requires moving to ACS data in FY2012.
- Any particular year's ESG formula allocation is based on the prior year's CDBG formula calculation. So for jurisdictions receiving ESG allocations, effects will not take place until 2013.
- Factors that determine formula allocations for block grants are, by statute:
    - **HOME**-- high relative poverty, large number of renters in poverty, pre-1950 housing stock, poor housing conditions and high construction costs.
    - **CDBG** -- Two formulas are used: **Formula A** measures population, poverty and overcrowded housing; **Formula B** measures poverty, pre-1940 housing, and growth lag (for Entitlements) or population (for States). Each grantee receives the greater of the two formula amounts, adjusted to fit the total appropriation amount.

Q& A – General

Q: Are the ACS data or the Census population counts appealable?

A: HUD is a consumer of the data provided by the Census Bureau and any appeals would be made to the Census Bureau. It should be noted that Census updates population estimates on an annual basis and a portion of the ACS data will be updated annually on a rolling basis by replacing the oldest year's data with more current data.

Q: Why is HUD implementing these changes on the heels of the reductions to CDBG and HOME funding over the past two years?

A: The CDBG and HOME authorizing statute requires HUD to use the most current available Census data to calculate the CDBG formula. The population count from the April 2010 Census is and the new annual data source American Community Survey is now the most current data source.

Q: Does HUD have any discretion in the amount allocated to my jurisdiction?

A: No. By law, HUD must allocate all CDBG and HOME funds in accordance with the formulas.

Q: What help can HUD offer as our jurisdiction evaluates the use of CDBG and HOME funds at the local level?

A: The CPD field office that serves your jurisdiction is the place to seek assistance at this point. Many grantees are facing the difficult task of re-evaluating the structure of their programs as it

will be difficult to sustain traditional funding patterns at the local level given the reduced resources. Your CPD representative can offer suggestions based on experience with other grantees. Further, CPD has launched a new, comprehensive technical assistance effort known as OneCPD which will include a website where grantees can pose questions and receive rapid responses on a wide range of issues including restructuring concerns. Additional information will be forthcoming in the next few months with regard to One CPD.

Q: Is it true that ACS does not cover very rural areas? If so, how are overcrowding and housing conditions in these areas taken into consideration in the formulas, especially for states?

A: Not true. ACS covers all areas.

Q: How does HUD address the margin of error on ACS data, given that it is a new Census product?

A: HUD uses the Census Bureau's mid-point estimate for ACS as it always did with decennial census data. HUD trusts in the accuracy of the data provided by the Census Bureau and does not undertake any review of the data.

Q&A -- CDBG

Q: Can I see how the ACS data affects the CDBG allocation to my jurisdiction?

A: HUD's Office of Policy Development and Research (PD&R) has just issued a report entitled "Redistribution Effect of Introducing 2010 Census and 2005-2009 ACS Data into the CDBG Formula." The report explains the new data and includes several appendices that detail the effect of those data on CDBG formula factors and, hence, on CDBG allocations. A web link to the report was included with the email letter informing your jurisdiction of the CDBG and HOME planning estimates for FY 2012

Q: What other programs does HUD administer that can help fill the gap left by lower CDBG allocations?

A: The range of programs is somewhat limited. The Section 108 loan guarantee program is part of CDBG and can be used for CDBG-eligible activities such as economic development, infrastructure and public facilities, and housing rehabilitation. CDBG grantees may borrow up to five times their current CDBG allocation under Section 108. Grantees should also ensure that they are effectively leveraging other resources such as CDBG and HOME program income, other public funds and private funds.

Q: Why did my jurisdiction's formula allocation decrease much more than the 11 percent decrease in the appropriation between 2011 and 2012?

A: Many CDBG grantees will see their allocation decrease much more than the 11 percent decrease in the appropriation between 2011 and 2012. This can happen because of a combination of factors at work: the use of new Census data for 2012; the way the CDBG program formula works; and the number of grantees eligible for CDBG funding.

The CDBG program uses two different formulas to calculate allocation amounts for entitlement grantees. The formulas for states are similar with the exception that population is substituted for growth lag in Formula B.

Formula A uses the following factors:

- population (weighted at 25%);
- number of poverty-level persons (weighted at 50%); and
- number of overcrowded housing units (weighted at 25%).

Formula B uses:

- growth lag (weighted at 20%);
- number of poverty-level persons (weighted at 30%); and
- number of pre-1940 housing units (weighted at 50%).

HUD computes an allocation amount for every grantee using both formulas; grantees receive their funding based on the higher of the two formula amounts (after a pro-rata reduction to make the sum of all allocations equal the appropriation level for the program).

Finally, the number of entitlement grantees has increased by 17 from 2011 to 2012. Thus, not only is there less money in 2012, it must be divided up among more grantees, and different data will be used compute each grantee's allocation amount.

Q&A -- HOME

Q: My jurisdiction's FY 2012 HOME allocation fell below the $500,000 participation threshold for the HOME Program. Will we still receive an allocation? Will we be required to make up the difference between our allocation and our formula allocation amount in order to continue to participate in HOME?

A: Yes. As long as your jurisdiction received a HOME formula grant allocation in FY 2011, it will receive an FY 2012 allocation even if the allocation falls below $500,000. No, your jurisdiction is not required to make up the difference between your formula allocation and $500,000.

Q: My jurisdiction's FY 2012 HOME allocation is so small that we are not sure that we can administer the program with only 10% program administration allowed under the HOME regulations. If our community decides to decline the FY 2012 HOME allocation, what happens to our grant money?

A: When a local Participating Jurisdiction (PJ) declines its HOME allocation, the funds that would have been awarded to the local government are added to the State's HOME allocation. The State may use the HOME funds in the same manner as the rest of its HOME allocation; it may choose to use the funds for a project or program in the community that declined the allocation, but it is not required to do so.

Q: If my jurisdiction declines its FY 2012 HOME grant but determines that it would like to resume participation as a HOME PJ at some future time, would we have to meet the HOME qualification threshold ($500,000) and potentially make up any shortfall (up to the $750,000 participation threshold) or would we continue to qualify as a PJ?

A: An existing PJ that chooses to decline its HOME allocation for one or more years does not lose its ongoing qualification as a PJ. It will continue to be included in the HOME formula run and resume participation at its option. However, the rules applicable to HOME PJs that are consortia are somewhat different. If a consortium chooses to decline its allocation during the three-year period of its consortium agreement will continue to qualify as a PJ as long as its HOME consortium agreement has not expired (e.g., the consortium could decline its allocation

in year 2 of its agreement and resume participation in year 3). However, once the three-year term of the consortium agreement is over, the consortium would no longer qualify as a PJ.

Q: Why did my jurisdiction's formula allocation decrease much more than the 38 percent decrease in the appropriation between 2011 and 2012?

A: Many HOME PJs saw decreases much larger than the 38 percent decrease in the appropriation between 2011 and 2012. The HOME statute requires HUD to use the most recent available data to run the HOME formula. In the past, the most recent data used has been the decennial census, which would have been used for the FY 2012 HOME formula. However, beginning in FY 2012, the Department used the most recent American Community Survey data for the HOME formula. The American Community Survey, which updates demographic information for approximately 20 percent of the United States each year, will be used to determine subsequent years' HOME formula allocations.

The HOME formula has six factors, which are:

1. Vacancy-adjusted rental units where the household head is at or below the poverty level.
2. Occupied rental units with at least one of four problems (overcrowding, incomplete kitchen facilities, incomplete plumbing, or high rent costs).
3. Rental units built before 1950 occupied by poor households.
4. Rental units described in #2 above multiplied by the ratio of the cost of producing housing for a jurisdiction divided by the national cost.
5. Number of families at or below the poverty level.
6. Population of a jurisdiction multiplied by a net per capita income.

When the HOME formula is run each year, data from the American Community Survey for each PJ is applied to the six formula factors. The first and sixth factors are weighted 0.1; the other four factors are weighted 0.2. Since factors 2 through five are double-weighted, these factors take on increased significance in determining each PJ's formula allocation.

The HOME formula's focus on the condition of housing and market conditions makes it very different from the CDBG formula.

Q: Would my jurisdiction receive more HOME funds if it formed a consortium with neighboring jurisdictions?

A: Forming a consortium with geographically contiguous units of local government almost always leads to an increase of funding over the current level if there is no change in the HOME appropriation. In FY 2012, there were actually two new consortia that did not receive a HOME allocation because of the unexpected, significant decrease in the HOME appropriation. HOME consortium is not easy. In fact, many consortia perform poorly and some eventually disband because the difficulty of administering a program with neighboring jurisdictions is often underestimated.

If your jurisdiction is interested in forming a HOME consortium, the guide to *Establishing and Managing a Successful HOME Consortium* is prerequisite reading. The guide can be found here:
http://www.hud.gov/offices/cpd/affordablehousing/programs/home/consortia/200608_guide.pdf.

COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org

Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

December 27, 2011

Pedro Carrillo, Interim Chief Administrative Officer
City of Bell
6330 Pine Ave.
Bell, CA 90201-1221

Dear Mr. Carrillo:

CHANGES TO THE COMMUNITY DEVELOPMENT COMMISSION'S COMMUNITY DEVELOPMENT BLOCK GRANT ADMINISTRATIVE AUTHORITY FOR FISCAL YEAR 2012-2013

As we close out calendar year 2011, the Community Development Commission (CDC) has begun the process of planning for the Fiscal Year (FY) 2012-2013 Community Development Block Grant (CDBG) Program. According to a recent appropriation approved by Congress and the President, the U.S. Department of Housing and Urban Development (HUD) programs have again been impacted by deep funding cuts. Based on this action, the national CDBG Program will receive an allocation of $2.948 billion in FY 2012-2013 (down from $3.343 billion in 2011-2012).

In addition to receiving a funding decrease at the national level, HUD has notified grantees that FY 2012-2013 marks the first year that the CDBG allocation formula will rely on the Census Bureau's new annual data source - the American Community Survey (ACS) - and the 2010 Census population counts. Based on this population data, HUD informed participating jurisdictions that lower population counts could negatively impact program allocations. According to HUD, the Los Angeles Urban County's population has significantly dropped since 2007. Using these new statistics, and the national reduction to the CDBG Program, the Los Angeles County is targeted to receive a significant cut in CDBG funding. Although we do not have the final allocation figures, HUD has projected that the cut will likely result in a 21.98% reduction to the Los Angeles Urban County's CDBG Program.

Given the ongoing trend of funding reductions to the Program, coupled with this most recent decrease, the CDC has reluctantly determined that it can no longer continue to allocate ***administrative authority*** to the participating cities for their CDBG programs, effective in FY 2012-2013. This policy change will not alter the formula used to allocate funding, rather it requires funding previously used for your CDBG administration project to now be used in direct support of project costs.

Reaching this determination did not come easily, and was made after careful evaluation of our role and responsibilities in effectively administering the nation's largest Urban County Program in compliance with all federal requirements. As we have previously discussed, the CDC has had to adjust to a continuing cycle of funding reductions over the last 11 years, which has seen our annual allocation of approximately $38 million in 2001, reduced almost yearly, to the current projected allocation of $23 million in 2012, a $15 million dollar decrease. When we were informed of the significant cuts for this year, my letter to City Managers dated May 3, 2011, provided the following message:

- Cuts in CDBG funding have necessitated the reduction of the cities' administrative authority from 10.0% to 7.5%, allowing the CDC to stay within the statutory 20% administrative cap;

- The funding reduction has also required the CDC to make significant internal administrative changes including freezing all management salaries and reducing CDBG Division staff by six (6) positions; and

- Cities were asked to brace for the likelihood of additional CDBG grant reductions expected in the Federal FY 2012 budget.

Over the years, through internal changes such as automation, streamlining, reorganization, management salary freezes, and staff reductions, we have been able to balance rising costs against declining revenues without sacrificing services or funding to our cities. Through these cuts and adjustments, the County was able to absorb any program funding losses, preventing any reduction of administrative authority to the cities. However, HUD's most recent reduction (21.98%) coupled with the current year's cut (16%) has presented the Los Angeles County with a devastating 37.25% funding cut over two (2) years, requiring unprecedented action to address the situation. The CDC's response to the recent cut has included the elimination of two (2) management positions (a Supervisor and a Manager), an intensified effort to further streamline our administrative procedures, and the planned review of current staffing levels to determine if additional actions are necessary.

We understand that this policy change will have a significant impact on the cities, since we have seen firsthand how fixed administrative costs are not easily reduced and, when cut, seriously challenge budget and program efficiency. With this in mind, we will dedicate our efforts to provide the necessary support and technical assistance needed to help cities realign some administrative costs to a "project-based" model. Within the next month, a CDBG Bulletin will be issued providing additional information on the policy change and identifying the timeframes for when our CDBG Division staff will be available to provide in-depth joint financial and programmatic technical assistance. Through this support, we will help identify and confirm eligible costs previously charged to your CDBG administration project that may, in the future, be directly charged to your other projects, while also recommending appropriate methods to track and report these expenditures.

In conclusion, we would like to emphasize that we value the partnership we have with you, and know that together we make the Los Angeles Urban County CDBG Program one of the best in the nation. If you have any questions regarding these changes, please contact Terry Gonzalez, CDBG Director, at (323) 890-7150.

Sincerely,

SEAN ROGAN
Executive Director

TG:JRB:rb
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c: Lourdes Garcia, Director of Administrative Services

Exhibit C

ELIGIBLE ACTIVITIES

Community Development Block Grant (CDBG) funds may only be used for projects and activities that meet one of the following national objectives of the program:

- Benefiting low- and moderate-income persons; or
- Addressing slums or blights; or
- Meeting a particularly urgent community development need.

Under current guidelines, the City of Bell may use CDBG funds for a variety of activities including:

1. **Acquisition of Real Property**
   Example: Acquisition of land, air rights, easements, water rights, rights-of-ways, building and other real property improvements.

2. **Disposition of Real Property**
   Example: Disposition of real property acquired with CDBG funds through sale, lease or donation including fees and costs associated with the transfer of ownership of real property.

3. **Public Facilities and Improvements**
   Example: Parking, streets, curbs, gutters and sidewalks, parks and playgrounds, shelters for the homeless, water and sewer facilities, flood and drainage improvements, community, senior and health centers.

4. **Acquisition, Reconstruction, Rehabilitation or Installation of Privately-Owned Utilities**
   Example: Pay the costs of placing underground new or existing power lines owned by private utilities.

5. **Clearance, Demolition, Removal or Building and Improvements, or Movement of Structure to Other Sites**
   Example: Demolition of vacant structure and removal of the debris to make a neighborhood park and playground available to residents in a low/moderate income neighborhood.

6. **Public Services**
   Example: Child care, health care, job training, recreation programs, education programs, public safety services, fair housing activities, services for senior citizens, services for homeless persons, drug abuse counseling and treatment, and energy conservation counseling and testing.

7. **Interim Assistance**
   Example: Improvements to a deteriorating area as a prelude to permanent improvements or alleviation of harmful conditions where immediate public action is necessary.

8. **Relocation Payments and Assistance**
   Example: Relocation and payments to displaced individuals, families, businesses, or nonprofit organizations that result from the acquisition of property for CDBG-assisted purposes.

9. **Loss of Rental Income**
Example: Loss of rental income incurred in holding housing units used for the relocation of individuals and families displaced by CDBG-assisted activities.

10. **Removal of Architectural Barriers**
Example: Installation of ramps, curb cuts, wider doors, elevators, and physical modification to buildings, facilities and improvements to make them accessible.

11. **Housing Rehabilitation**
Example: Financial assistance such as grants and deferred loans for the rehabilitation of any publicly or privately-owned residential property.

12. **New Housing Construction**
Example: Funding for housing construction project that has received funding through a Housing Development Grant (HODAG), or housing to be constructed by a local development corporation, small business investment company, or neighborhood-based nonprofit organization.

13. **Code Enforcement**
Example: Inspections in a low/moderate income neighborhood targeted for rehabilitation assistance, a neighborhood facility and street reconstruction.

14. **Historic Preservation**
Example: Rehabilitation, preservation and restoration of historic properties.

15. **Commercial or Industrial Rehabilitation**
Example: Improvements to the exterior of the building and the correction of code violations.

16. **Special Economic Development**
Example: Loans to pay for the expansion of a commercial business which will create jobs for low/moderate income persons, or technical assistance to a business facing bankruptcy.

17. **Special Activities by Neighborhood-Based Nonprofit Organizations, Small Business Investment Companies, or Local Development Corporations**
Example: Provide grants or loans to carry out a neighborhood revitalization, community economic development or energy conservation program.

18. **Planning and Capacity Building**
Example: Comprehensive plans, individual project plans, community development plans, studies, analysis and data gathering.

Exhibit D

INELIGIBLE ACTIVITIES

Activities and projects that are ineligible for CDBG funding include:

1. Buildings or portions thereof, used for the general conduct of government.

2. General government expenses.

3. Political activities.

4. Purchase of equipment, unless otherwise required for program.

5. Operating and maintenance expenses.

6. New housing construction, except housing of last resort of last resort for persons displaced due to a CDBG project, housing to be funded through a Housing Development Grant (HODAG), or housing to be constructed by a local development corporation, small business investment company, or neighborhood-based nonprofit organization.

7. Income payments to an individual or family for items such as food, clothing, housing or utilities.

City of Bell

AFFIDAVIT OF POSTING

I, the undersigned, Rebecca Valdez, City Clerk of the City of Bell, declare under penalty of perjury of the laws of the State of California that the following was posted on December 9, 2011 at the posting locations listed below:

PUBLIC HEARING NOTICE
January 11, 2012
2012-2013 Community Development Block Grant Program

Posting Locations are:

Bell City Hall
6330 Pine Avenue
Bell, California 90201

Bell Community Center
6250 Pine Avenue
Bell, California 90201

Bell Library
4411 Gage Avenue
Bell, California 90201

Dated: December 9, 2011

OFFICIAL SEAL
REBECCA VALDEZ, CMC
CITY CLERK
BELL, CALIFORNIA

Rebecca Valdez, CMC
City Clerk

CITY OF BELL

PUBLIC HEARING NOTICE
January 11, 2012
2012-2013 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

NOTICE IS HEREBY GIVEN that the City Council of the City of Bell will conduct a Public Hearing to receive citizen input on projects to be submitted to the U.S. Department of Housing and Urban Development (HUD) for funding through the Community Development Block Grant (CDBG) Program.

The City of Bell receives Federal Community Development Block Grant (CDBG) funds, from the U.S. Department of Housing and Urban Development, as a participant in the Los Angeles Urban County Program on an annual basis. Projects discussed at the meeting, which are determined to be eligible under Federal Guidelines, and will principally benefit persons of low and moderate incomes, will be considered for inclusion in the County of Los Angeles Community Development Commission's 2012-2013 Consolidated Plan.

The recommended CDBG projects to be funded during the 2012-2013 program year may include but not be limited to residential rehabilitation, graffiti removal, code enforcement, handyworker program, lead paint testing/abatement, and CDBG program management. The proposed budget for each of these recommended projects will be considered at the public hearing. The approved CDBG projects and accompanying budgets will be submitted to the County of Los Angeles Community Development Commission for inclusion in its application to HUD.

All interested citizens are encouraged to attend. Persons attending the hearing will be furnished with the following information: 1) the amount of CDBG funds expected to be available to the City for the upcoming year; 2) range of housing and community development activities that are currently funded under the CDBG Program.

Written comments may be submitted to the City Clerk up until the closing of the public hearing on January 11, 2012. All interested parties are encouraged to appear and be heard on this item. If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this Notice, or in the written correspondence delivered to the public entity conducting the hearing at, or prior to, the Public Hearing. For further details contact the CDBG Office at (323) 773-1596.

The Public Hearing by the City Council will be held on Wednesday, January 11, 2012 at 7:00 p.m., in the Bell Community Center located at 6250 Pine Avenue, Bell, CA, 90201.

6250 Pine Avenue Bell, CA 90201 • Ph: (323) 773-1596 • Fax: (323) 560-1179

City of Bell
Agenda Report

DATE: January 11, 2012

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 EXTENSION OF URGENCY ORDINANCE NO. 1183 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: The City Council approves Ordinance No. 1184 as stated below:

> **AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, EXTENDING A MORATORIUM ADOPTED BY ORDINANCE NO. 1183 BY 10 MONTHS AND 15 DAYS, 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.**

BACKGROUND:

On December 14, 2011, the City Council determined that there were sufficient facts of findings to support the declaration of an Urgency Ordinance establishing a moratorium on recycling facilities; and, directed 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.

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. They also 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.

ENVIRONMENTAL REVIEW

The City Council finds that the proposed extension and amendment of Interim Ordinance No. 1178 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 indirectly.

DETERMINATION

Pursuant to Government Code Section 65858(d), staff hereby reports to the City Council that it has commenced the research and study of recycling centers in the south east areas via phone surveys of the approximately 10 surrounding cities. The intent of the phone surveys is to compile the ordinances for recycling facilities of the same surveyed cities. The next step is to analyze and compare the recycling facilities regulations of the surveyed cities, and to determine if they are applicable to the City.

After the completion of the research and analysis, staff will draft a proposed regulatory ordinance to address the impact of this type of use on residential zones, establish adequate guidelines by which any recycling facility may be regulated, and to ensure that the new guidelines will protect the health, safety and welfare of the residents of Bell.

Because of the need for research and analysis for this type of use and the proposed ordinance to regulate this type of use require public hearing process, the initial forty-five days moratorium does not provide enough time to accomplish the tasks.

CONCLUSION

In order to maintain the status quo while staff prepares the proposed ordinance to establish appropriate regulations and guidelines for recycling facilities, staff recommends that the City Council extend the existing moratorium by ten months and fifteen days.

Attachment: Urgency Ordinance No. 1184

INTERIM URGENCY ORDINANCE NO. 1184

AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, EXTENDING A MORATORIUM ADOPTED BY ORDINANCE NO. 1183 BY 10 MONTHS AND 15 DAYS, 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 adopted Interim Ordinance No. 1183 was adopted by the City Council on December 14, 2011, establishing a 45-day moratorium temporarily prohibiting 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, as more particularly set forth in Interim Ordinance No. 1183; and

WHEREAS, all of the findings cited in Interim Ordinance No. 1183, concerning the existence of an immediate and current threat to the public safety, health and welfare continue to exist and are valid; and

WHEREAS, the City Council, acting through its planning staff and Pursuant to Government Code Section 65858(d), hereby reports that it has commenced the research and study of recycling centers in the south east areas via phone surveys of the approximately 10 surrounding cities; with the intent to compile the ordinances for recycling facilities of the same surveyed cities. The next step is to analyze and compare the recycling facilities regulations of the surveyed cities, and to determine if they are applicable to the City. After the completion of the research and analysis, staff will draft a proposed regulatory ordinance to address the impact of this type of use on residential zones, establish adequate guidelines by which any recycling facility may be regulated, and to ensure that the new guidelines will protect the health, safety and welfare of the residents of Bell. Because of the need for research and analysis for this type of use and the proposed ordinance to regulate this type of use require public hearing process, the initial forty-five days moratorium does not provide enough time to accomplish the tasks.

WHEREAS, the City Council finds and determines that there is a need to extend Interim Ordinance No. 1183 for 10 months and 15 days (until December 12, 2012), as authorized by Government Code Section 65858(a); and

WHEREAS, Government Code Sections 65858, 36934 and 36937 expressly authorize the City Council to adopt an interim ordinance prohibiting any uses which may

be in conflict with any contemplated general plan, specific plan or zoning which the City Council or the Planning Department is considering studying or intends to study within a reasonable period of time; and

WHEREAS, subsequent to providing published notice pursuant to Government Code Section 65090, the City Council has conducted a public hearing on the extension proposed herein.

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 January 27, 2012, immediately upon its adoption by the City Council, and remain in effect for ten months and fifteen days from that date, until December 12, 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. 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 9. 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 11th of January, 2012.

_____
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 11th day of January, 2012 and passed by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Rebecca Valdez, CMC, City Clerk

City of Bell
Agenda Report

DATE: January 11, 2012

TO: Mayor and Members of the City Council

FROM: Debra Kurita, Interim Community Services Director

APPROVED BY: Arne Croce, Interim Chief Administrative Officer

SUBJECT: Graffiti Removal Services Contract Award

RECOMMENDATION:

Approve an Agreement with Graffiti Control Systems for Graffiti Removal Services for FY 2011-12 in an amount not to exceed $39,100 with two one-year options in an annual amount not to exceed $93,839.

BACKGROUND AND DISCUSSION:

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

The CDBG Program has three primary objectives:

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

The CDBG funding for smaller cities, those with a population under 50,000, is administered through counties; the City of Bell's funding is programmed through the Los Angeles County Community Development Commission (LACDC). The funding allocation for cities is calculated by a population-based formula; the City of Bell's annual amount of new CDBG funds is approximately $600,000. In FY 2011-12, due to the reallocation of funds that were not spent in previous years, the City was able to budget $892,854 for CDBG eligible programs.

There are a number of restrictions and requirements related to programs eligible for CDBG funding. One of these requirements is that not more than 15 percent of the City's annual new funds allocation may be appropriated for activities that are classified by HUD as public services.

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These programs include recreation and education programs, public safety services, drug abuse counseling and graffiti removal services. In the FY 2011-12 budget for CDBG funded programs, the City allocated the full 15 percent of $88,580 to the Graffiti Removal Program. In FY 2010-11, when the CDBG allocation was higher, the City expended $100,217 for the program.

The City's Graffiti Removal Program is designed to eradicate graffiti, within 24 hours of being reported, from public right-of-ways and from private property where the graffiti is visible from the public right-of-way. Additionally, the contractor patrols and cleans all commercial streets, alleys and walkways, bike path walls, areas surrounding school properties, and main neighborhood streets. Currently, the graffiti removal services are being provided by Graffiti Protective Coatings, Inc (GPC) on a month-to-month basis, as the previous contract, which went through a bidding process in 2008, expired in June, 2011. As CDBG guidelines require that contracted services undergo a bidding process at least every three years, the General Fund has been supporting the graffiti removal program since this contract expired.

On November 9, 2011, the Mayor and Council approved the release of a Request for Proposals (RFP) to solicit responses from graffiti removal firms to provide these services for the remaining of this fiscal year. The RFP and its two addendums are available for review in the City Clerk's Office. The RFP was directly mailed to nine firms and was advertised in the Los Angeles Times and on the City's website.

The City received responses from five firms, one of which, Western Glass Restoration and Tinting, did not provide a complete proposal and; therefore, was not invited to participate in the second phase of the process. The submittals from the remaining firms were reviewed and representatives from each firm were interviewed by representatives from the Community Services Department, the Police Department and the City Engineer. The panel rated the proposals on the factors of proposal components, experience of the firm, administrative capacity, use of technology, and proposed cost. The following provides a matrix of the ratings as well as the estimated annual amount assuming the existing volume of 1,200 jobs per month. For comparison purposes, the current contract provides the services at the rate of $11,500 per month which constitutes $138,000 per year.

Firm	Location	Estimated Annual Cost	Rating
Graffiti Control Systems	North Hollywood, CA	$ 93,839	91
Nationwide Environmental Services	Norwalk, CA	$123,000	85
Graffiti Protective Coatings	Los Angeles, CA	$150,000	84
Urban Graffiti Enterprises	Azusa, CA	$120,000	76

The highest rated firm, Graffiti Control Systems, is currently under contract with the cities of Los Angeles, Diamond Bar, Tustin, Temple City, Arcadia, San Gabriel, Santa Monica, West Hollywood and South Pasadena, as well as Los Angeles County. The firm also provides graffiti

abatement for all of the light and heavy rail stations for the Metropolitan Transportation Authority (MTA). When staff contacted the cities of Diamond Bar, Arcadia, Santa Monica and San Gabriel, the representatives from those cities all stated that they were extremely pleased with the services of Graffiti Control Systems and complimented the firm's responsiveness and technical abilities.

As a result of this analysis, it is recommended that Graffiti Control System be awarded a contract to provide Graffiti Removal Services in an amount not to exceed $39,100 for the balance of FY 2011-12 with the option to extend the agreement annually for an additional two years in an annual amount not to exceed $93,829. Any extension of this agreement will depend upon the evaluation of the contractor's performance and the availability of funds. The agreement will commence February 5, 2012.

FINANCIAL IMPACT

The $39,100 for this contract is allocated in the FY 2011-12 CDBG Graffiti Removal Program (account no. 30-525-0065-0235). By completing the bidding process and awarding the contract, the support for the Graffiti Removal Program will be appropriately applied to the CDBG fund.

CITY OF BELL

CONTRACT SERVICES AGREEMENT FOR

GRAFFITI REMOVAL SERVICES

THIS CONTRACT SERVICES AGREEMENT (herein "Agreement") is made and entered into this _____ day of _____, 2012, by and between the CITY OF BELL, a California municipal corporation herein ("City") and Graffiti Control Systems (herein "Contractor").

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICES OF CONTRACTOR

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

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

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

1.4 Warranty. The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence. Contractor warrants all work under the Agreement to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the work or nonconformance of the work to the Agreement, commence and prosecute with due diligence all work necessary to fulfill the terms of the warranty at his sole cost and expense. The 1-year warranty may be waived in Exhibit "A" if the services hereunder do not include construction of any improvements or the supplying of equipment or materials.

2. COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Contractor shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "B" and incorporated herein by this reference, but not exceeding the maximum contract amount of Thirty-Nine Thousand One Hundred Dollars ($39,100) for Fiscal Year 2011-12 in Community Development Block Grant Funds. The City may extend the term of this Agreement pursuant to Section 3.5. The Contract Sum for each such extension may not exceed Ninety-Three Thousand Eight-Hundred Thirty-Nine Dollars ($93,839). If all funds are spent, the total amount shall not exceed Two-Hundred Twenty-Six Thousand Seven-Hundred Seventy-Eight Dollars ($226,778).

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

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

2.3 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to ten percent (10%) of the Contract Sum but not exceeding a total contract amount of $ 3,910 for FY 2011-12 or $9,384 in FY 2012-13 or FY 2013-14 or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City.

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

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

3. PERFORMANCE SCHEDULE

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

3.2 Schedule of Performance. Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "C" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding thirty (30) days cumulatively.

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

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

3.5 Term. Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until June 30, 2012. The City's Chief Administrative Officer, or designee, may, in writing, before June 30, 2012, extend this agreement through June 30, 2013 and may, in writing, before June 30, 2013, extend this agreement through June 30, 2014 based on his or her evaluation of the contractor's performance and the availability of funds.

4. COORDINATION OF WORK

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

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

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

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

5. INSURANCE AND INDEMNIFICATION

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

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

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any

worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

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

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

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

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

5.3 General Insurance Requirements. All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the

insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

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

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

7. ENFORCEMENT OF AGREEMENT AND TERMINATION

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

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

7.3 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this

Agreement. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

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

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

8. FEDERAL REQUIRMENTS

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

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

applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.

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

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

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

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

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

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

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

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

8.11 AGE DISCRIMIATION ACT OF 1975 AND REHABILITATION ACT OF 1973. Any prohibition against discrimination of the basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified handicapped individual, as provided in Section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.

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

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

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

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

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

8.17 LOBBYING CERTIFICATION. The Contractor certifies that no Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an making of any cooperative

agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.

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

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

9. COUNTY OF LOS ANGELES REQUIREMENT

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

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

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

10. STORM WATER AND URBAN RUN OFF POLLUTION PREVENTION

10.1 The City of Bell has a Storm Water and Urban Run-off Pollution Control Ordinance codified in Section 13.08.080 of the Municipal Code, pursuant to the Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. Section 1251 et al. Copies of the Storm Water and Urban Run-off Pollution Control Ordinance are available from the City Clerk.

All work performed under this contract shall conform to the above referenced Bell Municipal Code. In addition the Contract is required to comply with all applicable local, state and federal clean water regulations, laws, provisions, etc. in the performance of their work.

The Contractor shall implement all applicable Best Management Practices. Best Management Practices (BMPs) are techniques used to control storm water runoff, sediment control, and soil stabilization, as well as management decision to prevent or reduce nonpoint source pollution. The EPA defines BMP as a "technique, measure or structural control that is

used for a given set of conditions to manage the quantity and improve the quality of storm water runoff in the most cost-effective manner." The Contractor shall implement all applicable BMPs and ensure that all staff are properly trained and understand the BMPs.

The Contractor shall:

- Transport paint and materials to and from job sites in containers with secure lids and tied down to the transport vehicle;

- Not transfer or load paint near storm drain inlets or watercourses;

- Test and inspect spray equipment prior to starting to paint. Tighten all hoses and connections and not overfill paint container;

- Capture all clean-up water, and dispose of properly;

- Not remove graffiti during a rain event;

- Protect nearby storm drain inlets prior to removing graffiti from walls, signs, sidewalks, or other structures needing graffiti abatement. Clean up afterwards by sweeping or vacuuming thoroughly, and or by using absorbent and properly disposing of the absorbent;

- Direct runoff form sand blasting and high pressure washing (with no cleaning agents) into a landscaped or dirt area. If such an area is not available, filter runoff;

- Through an appropriate filtering device (e.g. filter fabric) to keep sand, particles, and debris out of storm drains;

- Plug nearby storm drains and vacuum/pump wash water to the sanitary sewer if a graffiti abatement method generates wash water containing a cleaning compound (such as high pressure washing with a cleaning compound); and

- Consider using a waterless and non-toxic chemical cleaning method for graffiti removal (e.g. gels or spray compounds).

The Contractor may be asked to:

- Plug nearby storm drain inlets prior to the start of painting where there is significant risk of a spill reaching storm drains. Remove plugs when job is completed.
- Cover nearby storm drain inlets if sand blasting is used to remove paint, prior to starting work.

- Use a sander with a vacuum filter bag.

11. MISCELLANEOUS

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

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

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

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

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

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

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

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

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

[Signatures on the following page.]

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

CITY:

CITY OF BELL, a municipal corporation

_____
Interim Chief Administrative Officer

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

_____
David J. Aleshire, City Attorney

CONTRACTOR:

_____

By:_____
Name:
Title:

By:_____
Name:
Title:

Address:_____
_____
_____

Two signatures are required if a corporation

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

[END OF SIGNATURES]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2012 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

☐ INDIVIDUAL
☐ CORPORATE OFFICER

_____
TITLE(S)

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

_____

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

_____

_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
TITLE OR TYPE OF DOCUMENT

_____
NUMBER OF PAGES

_____
DATE OF DOCUMENT

_____
SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF

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

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☐ GUARDIAN/CONSERVATOR
☐ OTHER_____

_____

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

_____

_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
TITLE OR TYPE OF DOCUMENT

_____
NUMBER OF PAGES

_____
DATE OF DOCUMENT

_____
SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"
SCOPE OF SERVICES

The Contractor shall remove graffiti from all City-owned, private residential, commercial, and industrial structures, up to forty (40') feet in height. Contractor shall inspect all referrals to determine the method to be used for the graffiti removal. Methods of removal may include water blasting or other pressurized removal systems, matching existing painted surfaces or other eradication procedures as approved by the City. Contractor shall determine the most effective method(s) for removal of the graffiti at each location. The method(s) of removal will vary depending upon the type of graffiti and condition of the surface. Contractor must use care to avoid damages to existing improvements (e.g., buildings, windows, doors, walls, etc.). Existing improvements damaged by the Contractor shall be repaired at the Contractor's sole expense to the satisfaction of the City.

1. Processes, Materials and Equipment

A. Preparation. Contractor shall properly prepare all stucco, masonry, metal, wood or other exterior surfaces in a manner that will result in an acceptable bonding of the applied paint and deter the visibility of graffiti. Contractor will use new and/or recycled water based paint. The City encourages the use of recycled paint. However, no lead-based paints will be used.

B. Application Quality. The materials shall be applied in such a manner as will ensure smooth, even, uniform coats free of dirt, drips, ridges, waves, drops, runs, brush marks, sags, and laps. If any of these existed before, they shall be properly corrected and prepared before painting. When completed, the panting shall represent a first class, workman-like appearance. All work areas shall be cleaned of all debris, residue and excess paint immediately after completion of work.

C. Application Process. Paint shall be applied under dry, dust free conditions and shall not be applied when the temperature is below 40 degrees Fahrenheit. All primer and intermediate coats of paint shall be unscarred and completely integral as well as completely dry at the time of the application of each succeeding coat. Contractor shall match the existing surface color when painting over or obscuring graffiti whenever possible. Paint shall be neatly feathered in all areas. If residents/businesses request a specific color, Contractor may provide labor as long as paint has been provided by the resident/business.

D. Supplies and Equipment. The Contractor shall provide its own vehicle, equipment, supplies and materials necessary to perform the work outlined. Further, the Contractor shall have an aerosol spray unit (minimum 2500 p.s.i.) and standard

extension ladder on the Contractor vehicle and such other equipment as may be necessary to perform graffiti removal (e.g., brushes, etc.). The Contractor shall have the ability to remove graffiti from difficult locations. The Contractor must have extension ladders on every vehicle and 24 hours a day, seven days a week, access to a bucket truck with a minimum extension height of forty feet.

E. Manufacturer Directions. Manufacturer's recommendations for mixing, thinning, applying, type of exposure, surface to be covered, and type of surface wear to which the paint will be subjected shall be explicitly followed.

F. Paint Match. The Contractor shall verify, to the satisfaction of the City, its method for matching paint. All repainted surfaces shall reasonably match wall color to the satisfaction of the Community Services Director or designee

2. **Technology**

The Contractor shall provide a technological system that will allow the community to report graffiti via smart phone. The contractor shall provide the web based database system called TAGRS or the equivalent.

3. **Response and Removal Time**

The Contractor shall provide a 24-hour turnaround from time of notification and/or survey and shall provide emergency services (removal of vulgar, racial or pornographic images, etc within one hour of notification). On a case-by-case basis, a 48 hour turnaround time may be acceptable, at the City's discretion, to provide color-matching if necessary.

4. **Contractor Responsibility**

The contractor is to assume the responsibility for all work and tenant and property owner relations.

5. Right of Entry

A. Private Property. Graffiti removal from private property will require a release from the property owner consenting to graffiti removal. The Contractor and/or City must obtain written approval to enter and release of liability prior to starting the graffiti removal. Graffiti to be removed from private property must be visible from the public right-of-way.

B. Public Right-of-Way Property. Authorization shall be given by the Community Services Director for the removal of graffiti on public property.

C. Commercial signage. Graffiti found on commercial signage shall only be removed with the owner's/occupant's specific, written approval and with the owner's/occupant's understanding that the Contractor is not responsible, under this contract, for replacing any original lettering, pictures, etc., on a commercial sign. With the owner's/occupant's approval, the Contractor shall proceed with diligence to remove the graffiti with as little damage to the commercial sign as possible. Graffiti to be removed from private commercial property must be visible from the public right-of-way.

6. **Clean up**

All finished surfaces of the building shall be left clean and reasonably dust free. At completion of work, Contractor shall clean all exposed surfaces soiled by the work; repair all damage caused by the work at no extra cost to the property owner or the City of Bell; remove all debris created as a direct result of the work from the job site; and leave the entire installation ready for use.

7. **Public Relations and Safety**

The Contractor shall at all times conduct services with the utmost of courtesy to the public. All employees of the Contractor shall wear clean clothing in the performance of duties, and equipment shall be clean and maintained in a safe operating manner. All equipment shall be subject to inspection by the Director of Community Services, or designee. All personnel shall wear appropriate safety gear at all times while removing graffiti in the City of Bell.

8. **Photographic Documentation**

The contractor shall photographically document all locations prior to removal of graffiti and shall maintain said photographs. Upon removal of graffiti, the Contractor shall take an additional photograph of the same area. Digital photos of the abated sites and an accompanying photo disk are to be provided along with the monthly billing. The City prefers a web-based photo system that updates in real time while in the field.

9. **Daily Logs**

Daily logs shall be maintained identifying graffiti removal site by census tract and block group. Monthly program reports shall be submitted within five (5) days of the end of the month. Information on total graffiti removal in square feet and number of sites shall be provided. Should accomplishment target not be met for the reporting period, steps to remedy the situation shall be provided along with an implementation schedule.

10. **Air and Water Pollution Regulations Compliance.** The Contractor shall be required to conform to all current regulations of the South Coast Air Quality Management District (AQMD). The Contractor is also required to adhere to the provisions of the Federal Clean Water Act as regulated by the U.S. Environmental Protection Agency (EPA) in Code 40, Code of Federal Regulations (CFR) Parts 122, 123, 124, the Porter-Cologne Act (California Water Act), and the National Pollutant Discharge Elimination System (NPDES) requirements. Suitable Best Management Practices (BMPs) shall be applied to prevent any chemical, debris or any non-storm water discharges from entering the storm drain system (storm drains and gutters).

11. **Retention of Financial Records.** Contractor agrees to maintain financial records and accounts to assure proper accounting for all CDBG Program funds and to support all program expenditures for a period of five (5) years. These records and accounts shall include, but not be limited to, the following: A double-entry General Ledger that supports the costs charged to the CDBG Program

    A. Records documenting procurement of goods and services;
    B. Lease or Rental Agreements;
    C. Invoices;
    D. Billing Statements;
    E. Cancelled Checks;
    F. Timecards signed by employees and supervisors;
    G. Personnel Authorization Records;
    H. Payroll Registers;
    I. Payroll Tax Records;
    J. Bank Statements;
    K. Bank reconciliations; and
    L. Documentation to support the allocation of costs.

EXHIBIT "B"

SCHEDULE OF COMPENSATION

I. Contractor shall be paid monthly in an amount not to exceed $7,820 based on an estimated 1,200 jobs per month.

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

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

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

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

D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

III. The total compensation for the Services for FY 2011-12 shall not exceed $39,100, as provided in Section 2.1 of this Agreement. If extended by the City, the total compensation for the Services for FY 2012-13 and FY 2013-14 shall not exceed an annual amount of $93,839.

IV. The Contractor's billing rates for all personnel are at $21.45 per hour with projected costs for fuel, supplies, vehicles, vehicle repairs, insurance, overhead, etc at $40,300 annually or $3,358.33 per month.

V. The Contractor will be compensated for Emergency Call Out at a rate of $1.00 per square foot in increments of $75.00 with a minimum charge of $75.00.

EXHIBIT "C"
SCHEDULE OF PERFORMANCE

Contractor shall perform all services timely in accordance with the following schedule

A. Contractor shall patrol and clean five days a week, Monday through Friday, all commercial streets, alleys and walkways, bike path walls, areas surrounding school properties, main neighborhood streets including, but not limited to Bell Ave., Salt Lake Ave., Filmore Ave., River Dr., Randolph Ave., Clarkson St., Southhall/Chanslor Ave., Loma Vista Pl., Woodward Ave., Bear Ave., and Corona Ave., and any additional service requests from City. Isolate areas that are vandalized consistently on Fridays after 1:00 p.m. and re-patrol and clean those specific areas as needed.

B. Patrol and clean the east river wall and all residential streets at least once per week.

C. Every Saturday, or by preference Sunday, perform a complete sweep of Florence Ave., Salt Lake Ave., Gage Ave., Atlantic Ave., Wilcox Ave., bike path near Florence Ave., Federal Alley, Knoll Tract, and Walker-Crafton walkway.

GRAFFITI CONTROL SYSTEMS

City of Bell

ORIGINAL

RFP for

Graffiti Removal Services 2011-2012

December 8, 2011

Woods Maintenance Services, Inc. dba Graffiti Control Systems
7260 Atoll Avenue
North Hollywood, California 91605
(818) 503-8240 (800) 794-7384 Fax (818) 764-2516
http://www.graffiticontrol.com sales@graffiticontrol.com

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INTRODUCTIONS

Woods Maintenance Services, Inc., started out under its original corporate name of D & B Maintenance Service, Inc., as a janitorial maintenance contractor in 1975, reorganizing under its current name in 1997. In the beginning, our emphasis was on the daily and nightly maintenance of apartment buildings, condominiums, industrial parks and office buildings, with a minor workload of graffiti removal on their exterior facades.

Barry K. Woods is the President, Diane W. Woods is the Secretary, Jeffrey Woods is the General Manager, and Josh Woods is the Marketing Director. Together, the four of them bring a sense of family and community to the company that has endured for over 36 years. Over 50% of our employees have more than 10 years of service with the company. We are fortunate that we have very little employee turnover. We pride ourselves in running a company based on the "family" philosophy where all employees are treated and compensated as such. To this end, we have monthly barbeques at our warehouse to celebrate birthdays and to build this sense of family. We believe that if our employees feel this sense of family, they take more pride in their work, as the name of the company on the truck means something to them, not just the name of the place they "work."

In 1976 the company grew to include landscape maintenance and became licensed to perform high pressure washing and steam cleaning work for hard surfaces, as well as masonry cleaning. It was at this time, while we were members of the Chamber of Commerce that we helped to develop the Westwood Village Sidewalk Maintenance District, a program funded through property owners' taxes to clean and maintain specific business districts.

As graffiti increased throughout the city (and country) a new division, Graffiti Control Systems, was formed to specifically address this out of control problem. Through trial and error and a great deal of research and beta testing, Graffiti Control Systems, became the first graffiti abatement contractor in the nation to utilize portable spectrophotometers in the field to computer color match paint, thereby setting a new standard for quality and timeliness.

Graffiti Control Systems' sister company, Hydro Pressure Systems, is the largest licensed pressure washing contractor in the state, and for over 36 years has been performing all manner of exterior maintenance for both public and private sector clients throughout California.

Hydro Pressure Systems presently has multiple contracts with the City of Los Angeles to perform nightly maintenance services in widespread areas of the city. Under the auspices of the Street Maintenance Department within the Board of Public Works, HPS has swept and washed the sidewalks in Westwood Village, Van Nuys Boulevard in Van Nuys and Main and Spring Streets in downtown Los Angeles. In addition to recovering trash, debris and litter, we were responsible for emptying all street-side trash receptacles and replacing the liners on a daily basis. as well as removing graffiti from public property. Ten years ago, HPS was awarded and has been performing under a County contract for the Whittier Boulevard Enhancement Program, whereby all graffiti is abated, trash receptacles emptied, trash, weeds and debris removed and sidewalks and gutters cleaned on a daily basis. Previously, we have held multi-year contracts for the Hollywood Boulevard Walk of Fame, Reseda Boulevard, Fairfax Avenue, Broadway BID and Ventura Boulevard in Sherman Oaks. We were chosen as the contractor to perform the high pressure washing services/graffiti abatement protocols required for the Cities of Coronado, Palm Springs, Whittier and West Hollywood.

At present, Woods Maintenance Services Inc., dba Graffiti Control Systems, is under contract with the cities of Los Angeles, Diamond Bar, Tustin, Temple City, Arcadia, San Gabriel, Santa Monica, West Hollywood and South Pasadena, as well as Los Angeles County. As sole source contractor for the MTA we are charged with keeping all of the transit properties free of graffiti, weed, trash and debris throughout the county.

Office Buildings, industrial parks, individual businesses and homeowners rely on us daily to respond to their needs and restore their property to a pristine condition. Five years ago we were awarded a special contract with the City of Los Angeles to supply 4 fully equipped crews to assist the other CBO contractors who are falling behind in their removals, and are dispatched weekly to different parts of the City. Whether it is graffiti or weed, trash and debris removal, cleanliness is a highly charged subject. The public's first perception of a facility, business or city is based on its initial and continuing awareness of how clean that area appears. If it is neglected, it encourages more abuse and fosters the broken window syndrome. Woods Maintenance Services, Inc., excels in immediate and professional response to any disruption to the cleanliness of the facilities it is charged with maintaining. And so it shall be with the City of Bell.

QUALIFICATIONS

The city of Bell has developed an aggressive Graffiti Abatement Program via this RFP. The City is taking a proactive stance in the war on graffiti. To this end, **GRAFFITI CONTROL SYSTEMS** has developed its work plan to quickly attack the problem in the initial stages and to offer concentrated, speedy and consistent service through the balance of the contract term. This work plan is very similar in scope to those that we have implemented, with great success, in many other municipalities.

METHOD OF OPERATION - INITIAL PROTOCOLS

At the onset of the program the city shall be divided into zone specific areas. GCS will field multiple crews in an effort to attack the problem head on and abate all visible graffiti. Areas that have been allowed to lapse, major thoroughfares, business districts and "hot spots" will be the primary concern. This will be quickly followed by private property, alleys and areas adjacent to public facilities that have not gotten the attention they deserve; such as freeway on ramps, flood control channels and industrial parks. Schools, churches and hospitals will also receive the attention that is needed.

DAILY ROUTINE - CONTRACT WIDE PROTOCOLS

GRAFFITI CONTROL SYSTEMS' supervisor leads the daily and/or weekly tailgate meetings to discuss safety, current issues and to go over work orders, special requests, problems and concerns. At this point the crews will be directed to any areas that are flagged in the meeting as a priority before continuing with their normal schedule in removing all graffiti from public and private surfaces within the city boundaries, and then maintaining those surfaces graffiti free. Abatement crews will patrol and survey the areas on a six-day per week schedule (M-F and either Saturday or Sunday depending on the City's desire), annotating, recording and removing graffiti as it is encountered. All information will be immediately uploaded into the TAGRS database for access by authorized users. This database is the backbone of the reporting and billing system. All data (including pictures) is entered into a PDA (smart phone) that will track the site location (GPS), removal time, removal type, removal surface, square footage and other pertinent information. This is extremely beneficial for restitution purposes as well as for the billing and invoicing process.

All commercial thoroughfares, areas around schools, religious buildings and main arteries shall be patrolled Monday through Friday. Residential neighborhoods shall be targeted weekly and difficult to access locations (due to traffic and safety concerns) may be handled on the weekend. Emergencies will be handled within 3 hours, assuming it is safe for our technician to abate.

We have always sought complete and frequent communication with all of our clients, and here it shall be no different. By being in close and frequent contact with the city representatives (City Graffiti Coordinator), problems are avoided, graffiti is abated more quickly and everything runs much smoother. Vandalism incidents may be called into our offices 24 hours per day. Supervisors check in with the office every two hours to obtain updates and urgent or priority assignments. Field crews and supervisors are called throughout the day, via cellular phones to update progress and review workload. It is at these times decisions are made whether to assign additional crews in a particular area.

One of the important aspects of any graffiti program is having the knowledge and the right equipment and experience to tackle the problem. **GRAFFITI CONTROL SYSTEMS** uses a combination of methods to abate graffiti, starting with the least damaging process:

Methods & Techniques

Painted Surfaces	This will include all previously painted substrates such as wood, metal, block walls, stucco, brick, curbs, chain link fencing.	Color matched painting for each specific site.
Non Porous Surfaces	These will include glass windows, ceramic tile, road signs, traffic control boxes, light standards	Treated primarily with eco-friendly chemical washes, pressure washing and the judicious use of soda bicarbonate blasting.
Porous Surfaces	Included here will be natural masonry substrates that have not already been painted, concrete light standards, sidewalks and curbs	Pressure wash with eco friendly chemicals, hot high pressure waster blasting. We do not use sand blasting **UNLESS** it is absolutely necessary

Great care will be taken in protecting surrounding areas, utilizing plastic sheeting and drop cloths when required. If spraying paint would risk overspray upon vehicles or property, either the task shall wait for a more opportune time, or areas shall be hand painted to preclude such damage. Sand, soda and any residue from cleaning and/or painting operations shall be cleaned

up immediately by Contractor, restoring the surface and area to its original condition, and removing any potential liability problem or exposure.

NUMBER OF CREWS

Our plan is to field as many crews as necessary to paint, pressure wash and/or chemical treat and abate all visible graffiti within the City of Bell. At the start up there may be a need to field additional crews and/or staff to play "catch up" in order to get the City into shape.

RESPONSE TIME

Our standard response time is 24 hours, however, once a work order is received, that work order will be completed within 8 working hours, which will always fall within that time frame. All "survey" work will be abated immediately. Any special circumstances will be discussed with the City Graffiti Coordinator and may need to be abated over a weekend or other special time when there is less traffic for safety reasons. For any emergency or after hours request, the response time will be 3 hours.

VEHICLES AND EQUIPMENT

All vehicles will all have commercial airless paint sprayers, pressure washers capable of dispersing 5 gallons of water per minute at 200 degrees and 3200 psi. Each vehicle is self contained with a 300 gallon water tank on the bed. Our vehicles are typically less than 3 years old and are usually Ford F-250 models or Chevy W3500 tiltmasters. Further, our fleet includes two "cherry-pickers", one that reaches 29 feet, while the other reaches 47 feet. In addition to the above, each vehicle assigned to this contract will carry all required safety equipment, 22 foot extension ladders, MSDS specifications, paints, tints, and other sundry items. Through our many years of experience, we have found that most "high" graffiti can be abated via the use of one of these ladders, however, because we have the high-lift trucks, we can easily abate graffiti that reaches the 40 foot threshold required by the scope of services.

WEB BASED DATABASE SYSTEM – TAGRS

TAGRS (Tracking and Automated Graffiti Reporting System) was designed by the Orange County Sheriffs Department for use in law enforcement. It allows the use of ANY PDA (smart phone with Windows, Android or Blackberry operating systems) to capture all pertinent data and pictures to be uploaded instantaneously into a database so that all authorized users can view, print and generate specialized reports. The user simply enters the program, clicks on the

drop down menu items, takes a picture(s) and submits the "post". That entry then is immediately (via cellular service) uploaded into the TAGRS database which is maintained and backed up by the Orange County Sheriff's Department. Enclosed with this proposal is an extensive package describing this program.

Graffiti Control Systems has been instrumental in assisting the TAGRS group in rolling out this program throughout Southern California. Having been the first independent contractor using the TAGRS program, we not only know the program inside and out, but have tested extensively the revisions and updates for TAGRS.

We are currently using this system for our contracts in Tustin, San Gabriel, Diamond Bar, Santa Monica, Temple City, Arcadia, West Hollywood and for our MTA Graffiti contracts. Orange County Sheriff's is also using this system in several other cities. The City of Los Angeles adopted this program about 6 months ago as their preferred method of reporting, capturing and prosecuting vandalism. The County of Los Angeles (Public Works) is looking into implementing the TAGRS system into their current graffiti contracts.

SURVEY & WORK PERFORMANCE

The crew(s) will drive through the area daily to assess the status and log all new incidents of graffiti. Most of the anticipated work shall be carried out between the hours of 6:30 am and 3:00 pm, five days per week and on Saturday or Sunday to partol the required areas per the Scope of Services. The crew(s) will proceed with all abatements – including color match paint out, and all solvent, water blasting and soda blasting removals. The Crew Supervisor will be initiating contact by securing signatures when necessary, from property owners on Release and Consent forms, allowing us legal access.

SAFETY PROCEDURES

The safety and well being of all Contractors' employees, and the citizens in general is our primary concern. All work undertaken conforms to all rules, regulations, ordinances and statutes of the City, County, State and Federal Governmental offices. All proper traffic control methods are utilized, as required on the public right-of-way, with flashing arrow boards, cones and barricades. The concern is also for the public at large, as we will be working closely with those affected by the graffiti to see that their businesses are not disrupted. GRAFFITI CONTROL SYSTEMS has already developed, had approved, and has a working module of the Safety Program as mandated by SB 198, which is available for review by any city agency. For those anticipated chemicals and

products to be utilized on this program, we have included MSDS sheets in the attachments. All vehicles carry first aid kits, fire extinguishers, MSDS sheets, and BMP protocols for the services we will be performing.

SUBCONTRACTORS

In the performance of the work as outlined throughout this RFP, Graffiti Control Systems will use no subcontractors. We are, as required by law and the Business and Professions Code, licensed by the Contractors State License Board with a C33 and C61, D38 and D49 license, active and current. As the largest graffiti abatement contractor in the nation, we are sufficiently funded with over $5 million in contract work, over 50 late model, specialized vehicles, over 80 bi-lingual Technicians, including 23 supervisors, specialized paint lab and 36 years of experience. This far exceeds even the closest competition.

COMMUNICATION & JOB TRACKING

All work orders and requests for service, whether they are emailed, faxed, retrieved from the City Hotline, or called into our office through our 800 line, are imputed by our office support staff. Job orders are written up, imputed into the computer and tracked through the entire process until completion. GCS created the first comprehensive database for entering, annotating, searching and retrieving all requests for service, irrespective of the source. These are then compiled into a report sent each month to the Program Manager and Accounting Department. Our billing follows universally accepted protocols for accounting practices. Every employee assigned to City work is separately tracked (as are all staff technicians), so that all contract time and material is properly accounted and imputed.

PAYROLL & ACCOUNTING

Graffiti Control Systems has always sought out the most efficient, cost effective and professional services, products and methodologies in conducting its business as we enter our 4th decade of operation. We conducted an exhaustive search in an effort to secure the very best in payroll services. Anyone or any firm can add up time cards. We wanted more.

We engaged ADP, the nation's oldest and largest provider of payroll and business services. From the Auto Pay Program we have engaged which allows us access to their database to input hours, wages, deductions; to the use of Avert, the information based business service to get almost instantaneous reports on employees and prospective hires. All employees are required

to punch in and out using the ADP biometric time clock which verifies the user along with their start and end times.

Our clients are very important to us, and we make every effort to verify not only the identity and ability of our staff, but to ascertain any criminal or negative reports that may have been overlooked. This, coupled with our DMV Driver Pull Program, assures we are getting the best of the best.

City assigned personnel annotate their hours by signing in on a weekly time sheet. This sheet lists their name, week worked, time arrived at office, time arrived on job, break time, lunch break, time left job site and time arrived back at office. All Supervisors are responsible for collecting the weekly time sheets, verifying the information, signing the bottom along with the employee, verifying the accuracy of the information. These sheets are then compared to the ADP time clock reports for accuracy. This is usually completed by Wednesday, and payroll is generated and delivered to our offices on Thursday for the prior week's work. Holidays are preset, as well as accrued vacation time. For those employees with multiple pay rates, Auto Pay takes that into account and hours, deductions, reimbursement and overtime can be placed in any of the predefined fields, so there is no "accidentally" shorting an employee. If a holiday falls on a Thursday or Friday, Accounting will generate the payroll one day early.

ADP also provides all Certified Payroll Reports for all of our contracts, so that there is no error or guesswork with employees, correct payroll amounts and deductions. These are submitted monthly to the City with a cover sheet verifying the information signed by the President.

In addition to the "honor" system, GCS has Supervisors out in the field seven days per week. This not only verifies that staff technicians are on the job, doing when they are contracted to do, but allows us the time to do Quality Control. Supervisors are armed with printouts of the prior days (weeks) work and have the opportunity to not only check current jobs, but to verify the completion of previous assignments. When Supervisors cannot make it to a particular site that day, vehicles are equipped with an in vehicle system by TeleNav that allows us to monitor the exact location of any of the vehicles at any time.

Further, Graffiti Control Systems has contracting experience with cities that receive funding via the Community Development Block Grant (CDBG) Program, HUD and LACDC. Currently both San Gabriel and Tustin receive funding from these agencies, and Graffiti Control Systems has always been in compliance with any and all requirements of these programs. Previous experience

also includes the following municipalities: City of San Fernando, Monterey Park, Culver City, and Los Angeles.

TRAINING PROGRAM

All staff members must attend and pass a comprehensive in-house training program, prior to being qualified for as a Graffiti Abatement Technician. Prior to beginning work, and immediately after hiring, the personnel record is examined to substantiate all submitted facts and information. A voluntary drug test is administered and forms are signed allowing random drug tests during employment. Driving record is examined for any noticeable failings. Once the preliminary, administrative work is completed, the employee is issued uniforms, gloves, safety goggles, hard hat, safety vest, rubber boots, and Employee Manual, and several guides to equipment and procedures. Some of this is "homework", and must be completed before formal training begins at our offices, and then on the job site. The training is usually broken down into six distinct areas, though there may be some overlapping:

1) Safety and operating procedures for high pressure washers
2) Safety and operating procedures for gas powered spray equipment
3) Safe vehicle operating procedures and included emergency/safety equipment
4) Graffiti removal techniques on 12 different types of surfaces
5) Use of chemicals, reading an MSDS, emergency procedures and BMPs
6) Public relations, expected behavior, image and dealing with the public

The training process, both in the office with a veteran supervisor and out in the field, takes two weeks, before a new hire is allowed to work solo, but still supervised.

PRIOR EXPERIENCE

Having been in business continuously since 1975, and having been awarded and performing under hundreds of contracts during this time, it is difficult to list all of those within a specified time frame. The following is by no means a comprehensive list, but rather a sampling of the manner of work that we have performed over the years. Because of the voluminous nature of the list, individual contract rates have not been indicated. In almost all cases, the contracts ran from a low of $50,000 to a high of $850,000, with the majority being in the $200,000 to $500,000 range. Should more exacting figures be required, we will be happy to provide them.

Graffiti Removal, Abatement, Coatings and Maintenance

City of Los Angeles

- Maintenance of all Freeway Underpasses (Zero Tolerance)
- Maintenance of all City Buildings and Property (Zero Tolerance)

County of Los Angeles

- Maintenance of East & South San Gabriel Valleys (Zero Tolerance)
- Maintenance of North San Gabriel Valley (Zero Tolerance)
- Maintenance of South Central Los Angeles (Zero Tolerance)
- Maintenance of the Flood Control Channels (South Area)
- Maintenance of the Flood Control Channels (West Area)
- Maintenance of the Flood Control Channels (East Area)

City of Culver City

- Zero Tolerance Graffiti Removal Program

City of Santa Clarita

- Zero Tolerance Graffiti Removal Program

City of Monterey Park

- Zero Tolerance Graffiti Removal Program

City of Montebello

- Zero Tolerance Graffiti Removal Program

City of Long Beach

- Zero Tolerance Graffiti Removal Program

City of South Pasadena

- Zero Tolerance Graffiti Removal Program

City of Diamond Bar

- Zero Tolerance Graffiti Removal Program

City of National City

Zero Tolerance Graffiti Removal Program

City of San Diego

Zero Tolerance Graffiti Removal Program

Pressure Washing / Trash Removal / Graffiti Removal Services

City of Los Angeles

Westwood Village Sidewalk Maintenance District

Reseda Boulevard Sidewalk Maintenance District

Broadway Sidewalk Maintenance District

Hollywood Boulevard Sidewalk Maintenance District

Main & Spring Sidewalk Maintenance District

Ventura Boulevard Sidewalk Maintenance District

Fairfax Avenue Sidewalk Maintenance District

Van Nuys Boulevard Sidewalk Maintenance District

Vehicular Tunnel Cleaning & Maintenance

Civic Center & Environs

Los Angeles Police Department Programs

General Services City Hall Restoration & Cleaning

City of Coronado

Sidewalk Maintenance Clean up and graffiti removal

City of Whittier

Uptown Business District Sidewalk Maintenance

City of Palm Springs

Palm Drive Sidewalk Maintenance

Palm Springs Airport Hard Surface Maintenance

City of West Hollywood

Sidewalk Maintenance Program

Graffiti Abatement Program

City of Beverly Hills

Sidewalk Maintenance Pilot Program

Department of Motor Vehicles

Sidewalk Maintenance Program

Graffiti Abatement Program

City of Glendale

Maintenance of Central Business District

Clark County Nevada

Graffiti and vandalism removal from Resort Corridor

Austin, Texas

Graffiti Removal for City-wide Park System

California Department of Transportation

Exterior Maintenance of Trans Bay Terminal – San Francisco

Weed, Trash and Debris Removal - Public Rights of Way

Orange County Transportation Authority

Southern California Regional Rail Authority

California Department of Transportation – Freeway right of way maintenance

Metropolitan Transit Authority

County of Los Angeles - Sidewalk Maintenance Program - Whittier Boulevard

County of Los Angeles – Sidewalk Maintenance Program – Florence/Firestone

County of Los Angeles Flood Control - West Area

In all of the aforementioned contract jobs, Woods Maintenance Services, Inc., acted as the Prime Contractor, with the awarding agency or body, without the use of subcontractors.

There are no other contractors or business concerns that can touch or match our depth and breadth of experience. Designing, creating and implementing programs for agencies and municipal bodies are areas within our expertise. Evaluating the exterior maintenance needs of a department, setting, realistic but ambitious goals for improvement, implementing improved methodologies to accomplish these goals...this is what we do best.

PERSONNEL

Graffiti Control Systems has always maintained sufficient staff, vehicles, paints, chemicals, hand tools and equipment to carry out each contract program it was assigned.

When a program manager wishes graffiti abated, the last thing they wish to hear is, " I'll have to pick up some supplies", or "the truck is broken down". When a problem exists that is of sufficient magnitude for a concerned citizen to call, then it is of equal importance for us to handle that problem as quickly as possible.

To this end, Graffiti Control Systems maintains a fleet of:

- 38 equipped graffiti removal vehicles
- 7 dedicated trash collection vehicles
- 1 AirSweeper Truck
- 47' Bucket Truck
- 29' Bucket Van
- 2 traffic control vehicles
- 18 water blasters
- 12 sandblasters
- 6 soda blasters
- Proprietary paint matching system
- 28 Graco airless paint sprayers
- 55 field cell phones

Should Graffiti Control Systems be awarded this contract, there will be no need for additional equipment and vehicles. However, the financial stability and resources of the Company allow us to quickly obtain anything that will be required to operate a successful program, without diminishing existing contracts.

Having been in business and operating successfully for 36 years, we have established open lines of credit at all suppliers, so that should equipment or supplies be required, one may rest assured that if they are not on hand, they are easily and quickly available.

With our expansion in 1994 and purchase of a 20,000 square foot site in North Hollywood, all equipment and personnel are staged and dispatched from one centralized location, making for a faster and more efficient operation.

STATEMENT OF QUALIFICATIONS

Barry K. Woods

PRESIDENT/PROJECT MANAGER

36 years of maintenance experience, including graffiti abatement, exterior hard surface maintenance, landscape maintenance and masonry restoration. Seeks better and more productive methods to accomplish company goals. Interfaces with Contract Administrators to obtain feedback and adjust methodology.

Juan Franco
Enrique Lopez
Jose Morales
Antonio Morales
Angel Paniagua
Jeff Woods
Mario Acosta
Josh Woods

PROJECT SUPERVISORS

107 years of combined field work experience in all aspects of contact maintenance with city, county and state agencies. Create and implement new and more efficient systems of inspection and quality control procedures. On site on daily basis, handles initial calls for emergency service, and follows up upon completion.

Doris Lemaire
Connie Perez
Marina Lopez

ADMINISTRATIVE ASSISTANTS

46 years of combined contract expediting. Oversee all dispatching of survey and maintenance crews, coordinate field assignments, handle day to day contact with municipal personnel and businesses of contract communities. Coordinate extra work, emergency assignments and inspection procedures. Maintains all reports and database entries.

Field Staff

FIELD STAFF

Thirty Painters / Surveyors capable of locating, surveying and recording graffiti sites, matching colors and painting over vandalized areas. All qualified and certified to operate high pressure washers for chemical removals and wet sandblasting equipment for removals requiring abrasives as well as application of protective coatings.

Thirty three field workers whose sole responsibility is to maintain exterior surfaces. Operate dump trucks, heavy equipment, as well as handling all weed, trash and debris needs of all transportation agencies and county contracts. Trained in safety protocols and attend periodic workshops of BMP's and safety education.

Three paint tinters, mechanics, laborers.
Two glass and window technicians trained and qualified to operate state-of-the-art glass polishing equipment and apply protective anti-graffiti film to windows.

BARRY K. WOODS
7260 ATOLL AVENUE
NORTH HOLLYWOOD, CA 91605
(818) 764-2515

EXPERIENCE

PRESIDENT *10/75 – PRESENT*

36 years of maintenance experience, including graffiti abatement, maintenance of hard surfaces, landscape maintenance, tree trimming and trash and debris removal. Instituted new and improved methods of abating graffiti, faster response times and better tracking protocols. Handles purchasing and tasks assignments with Operations Manager and Project Supervisors through weekly meetings. Overall responsibility for all contracts and interfaces with Project Managers and all public agencies. Member of multiple trade organizations and is qualified to instruct workers on BNSF properties. Is railroad worker qualified.

CLIENTS

Currently oversees all corporate assignments.

EDUCATION

Attended University of California at Los Angeles as an undergradute, graduating in 1971. Attended UCLA graduate school, receiving degrees and credentials in 1974.

All key personnel that will be assigned to this project shall not be removed or replaced without the prior written consent of the Orange County Transportation Authority.

JEFF WOODS
7260 ATOLL AVENUE
NORTH HOLLYWOOD, CA 91605
(818) 764-2515

EXPERIENCE

GENERAL MANAGER *7/03 – PRESENT*

Oversees staff of 88 employees. Conducts daily safety briefings, dispatches and oversees multiple crews at multiple locations. Organizes and assigns vehicles and equipment, manages maintenance and repair of equipment. Maintains all databases, reports and logs of work performed. Operates pressure washers, cranes and heavy equipment as needed, trains personnel in safe operation of all equipment. Interfaces with Contract Administrators to obtain work assignments, and verify completion of all tasks. Purchases equipment and advises and researches new and more efficient equipment for contracts.

CREW LEADER - FOREMAN *9/95-7/03*

Supervised a crew of eight handling weed, trash and debris removal for transportation agencies. Maintained records and logs, oversaw equipment and vehicles assignments and maintenance. Initiated safety training for new hires and conducted weekly safety meetings. Trained in operation, use and maintenance of heavy equipment. Scheduled crews and allocated resources to maintain contract compliance.

CLIENTS

Will have direct oversight of City contract, interface with Supervisors, and liaison with City of Bell contract administrator.

EDUCATION

California State University - Northridge, Northridge, California.
Received B.A. degree in Business Management.

JUAN FRANCO
7260 ATOLL AVENUE
NORTH HOLLYWOOD, CA 91605
(818) 764-2515

EXPERIENCE

CITY OF WEST HOLLYWOOD, CITY OF LOS ANGELES, COUNTY OF LOS ANGELES — *2/03 - PRESENT*

Responsible for surveying and handling specific job requests within the City for all graffiti abatement. This includes public and private property as well as special requests from Public Works.

METROLINK - FOREMAN — *12/99 - 2/03*

Conducts daily safety briefings, dispatches and oversees crew at multiple locations. Assigns vehicles and equipment, manages maintenance and repair of equipment. Maintains database reports and logs of work performed. Operates pressure washers, paint sprayers and heavy equipment as needed, trains personnel in safe operation of all equipment. Interfaces with Contract Administrator to obtain work assignments, and verify completion of all tasks. Territory Qualified on Coast, River and Valley lines to obtain track and time.

CLIENTS

Direct oversight and management of contracts with several cities and municipalities as well as Metrolink, MTA, OCTA.

EDUCATION

Graduated Fairfax Park High School

Pierce College - Woodland Hills, California. Business Management course of study. Additional units are required for completion.

ENRIQUE LOPEZ
7260 ATOLL AVENUE
NORTH HOLLYWOOD, CA 91605
(818) 764-2515

EXPERIENCE

SENIOR SUPERVISOR — *1/00 – PRESENT*

Currently the on-site supervisor for the Whittier Boulevard Enhanced Maintenance Services contract for the county of Los Angeles. Enrique's duty include but are not limited to: daily supervision of the Whittier crews; vehicle and equipment related issues (repairs, new equipment, etc.); ordering equipment, paint, supplies and seeking out new, better and more cost effective methods to do the work; interaction with constituents and others when problems arise as well as meetings with County staff as required or requested. Enrique has supervised various graffiti and sidewalk maintenance crews in the last 11 years, including, but not limited to: Florence/Firestone, city of Los Angeles, city of Santa Monica, city of Monterey Park and city of San Gabriel. Enrique also provides both technical support and supervision for all employees and provides training and safety classes as needed.

CREW LEADER - FOREMAN — *1/89-12/09*

Led crews on various city, county and municipal agency contracts. Handled graffiti removal and abatement as well as, weed, trash and debris removal. Operated heavy machinery, pressure washers, paint sprayers, etc. On site leader for pressure washing team responsible for keeping LA City hall clean for special events. Interfaced with sub-contractors for fencing, herbicide and tree trimming needs..

CLIENTS

Has daily meeting with manager who is in contact with city, county or municipal agency contract administrator.

EDUCATION

Oaxaca, Mexico – University, General Education, 1985
Pierce College,– Small Machine Engine Repair 1996
LA Valley College - Developing Supervisory Leadership 1999
UCLA Extension - Site Engineering and Watershed Management 2007

CONTRACT

Neither Woods Maintenance Services, Inc., its subsidiaries, owners, officiers, employees or others affilated with the company have any current or potential conflict of interest with the City of Bell.

BUDGETED COSTS

We estimate the annual amounts to be as follows for 2011-12, 2012-13 & 2013-14:

2011-12	Annual payroll at $21.45 per hour (6 days)	$26,770
	Projected costs for fuel, supplies, vehicles	
	Vehicle repairs, insurance, overhead, etc.	$20,150
	TOTAL for 2011-12	**$46,920**
2012-13	Annual payroll at $21.45 per hour (6 days)	$53,539
	Projected costs for fuel, supplies, vehicles	
	Vehicle repairs, insurance, overhead, etc.	$40,300
	TOTAL for 2012-13	**$93,839**
2013-14	Annual payroll at $21.45 per hour (6 days)	$53,539
	Projected costs for fuel, supplies, vehicles	
	Vehicle repairs, insurance, overhead, etc.	$40,300
	TOTAL for 2013-14	**$93,839**

The above figures are based on an average of 1,200 jobs per month which was derived from the figures provided by the City over a 13-month period.

ADDITIONAL INFORMATION

PROPOSAL
GRAFFITI REMOVAL

Pursuant to the Notice inviting proposals for the above described work, the undersigned as a Contractor, declares that he/she has carefully examined the proposed described work and that he/she has read and examined the contract documents and is familiar with all proposal requirements and hereby proposed and agrees, if the proposal is accepted by the City Bell, that within ten (10) days, excluding Saturdays, after written notice of award of contract is mailed to Contractor, Contractor will execute and deliver to the City Clerk the contract form provided in the contract documents, the insurance certificates and the special endorsements required therein in a form approved by the City Attorney. Contractor will also furnish all labor, materials, and services necessary to perform and complete all work required by the contract documents and all addenda thereto issued by the City of Bell prior to the receipt of the proposals, for the above described work for the lump sum or unit price set forth in the proposals schedule which is attached hereto and by this reference is incorporated herein.

Said Contractor further agrees to complete all work required under the contract within the time stipulated in said contract documents and to accept in full payment therefore the price in the Proposal Schedule.

Dated: December 6, 2011

Name of Contractor Graffiti Control Systems
(Complete Corporate, Partnership, and Fictitious or Sole Proprietorship name)

By: _____
(Signature)

Name Printed: Barry K. Woods

Title: President
(Proof of authority to bind Contractor must be submitted with proposal)

Address: 7260 Atoll Avenue, North Hollywood, CA 91605

Telephone: 800-794-7384

City of Bell
Request for Proposals
GRAFFITI REMOVAL SERVICES
(Revised 11/21)

Name of Company: Graffiti Control Systems

Contact Person: Jeff Woods

Address: 7260 Atoll Avenue

City: North Hollywood Zip: 91605

Phone: 818-503-8240 Fax: 818-764-2516

Contractor's Signature: _____

Title: President Date: December 6, 2011

REMOVAL OF GRAFFITI FROM PRIVATE PROPERTY:

Using the contractor's complete schedule of graffiti removal fees, please enter the cost per location for each of the following graffiti removal methods.

Type	Minimum Cost		Additional Cost Over Minimum Cost	
Sandblasting $ 17.00	For 50	sq. ft	$ 17.00	For 50 sq. ft
Water blasting $ 11.00	For 50	sq. ft	$ 11.00	For 50 sq. ft
Water blasting with baking soda $ 13.00	For 50	sq. ft	$ 13.00	For 50 sq. ft
Painting- "matching paint" $ 9.00 New paint	For 100	sq. ft	$ 9.00	For 100 sq. ft
Painting- "matching paint" $ 9.00 Recycled paint	For 100	sq. ft	$ 9.00	For 100 sq. ft
Chemical/Solvents $ 9.00	For 100	sq. ft	$ 9.00	For 100 sq. ft
Other (describe): $ 425.00 anti graffiti coatings	For 300	sq. ft	$ 175.00	For 150 sq. ft

Please complete the following schedule of fees:

		Cost per sq. ft	Charged in increments of	Minimum charge per Location	
A.	Non-Porous Surface	$0.09	100 sq. feet	$9.00	
B.	Painted Surface	$0.09	100 sq. feet	$9.00	
C.	Porous Surface	$0.11	50 sq. feet	$11.00	
D.	Emergency Call out	$1.00	$75.00	$75.00	

Definitions of the terms used above:

Non-Porous Surface
Glass windows, mirrors, metal, street signs, poles, baked enamel, traffic control boxes, etc.

Painted Surface
Previously painted surfaces such as stucco, block walls, tilt ups, fences, etc.

Porous Surface
Natural unpainted surfaces such as block walls, concrete walls, curbs, sidewalks, etc.

Emergency Call Out
Sending a work crew out of schedule.

Schedule of fees for sidewalk power washing services:		
Cost Per square foot OR linear foot	Charged in increments of	Minimum charge per location
$.0.15 per sq. foot	1,000 sq. feet	$150.00 *

* by estimate depending upon condition

PARTIAL LIST OF REFERENCES

GRAFFITI ABATEMENT CONTRACTS

Woods Maintenance Services, Inc. and/or Graffiti Control Systems

Name of City	Year Started	Amount / Rate	Contact	Phone Number	Description of Work
City of Los Angeles Public Works – CD9	1984	$325,000 per year	Paul Racs 200 N. Spring Street, #356 CH Los Angeles, CA 90012 Paul.Racs@lacity.org	213-978-0229	Graffiti abatement for the City of LA (Downtown & Chinatown areas). Paint, Pressure Washing & Chemical removal used.
City of Los Angeles Office of Community Beautification (UNTAG)	1984	$400,000 per year	Paul Racs 200 N. Spring Street, #356 CH Los Angeles, CA 90012 Paul.Racs@lacity.org	213-978-0229	Graffiti abatement for the City of LA. Assist ALL other City contractors with work. Paint, Pressure Washing & Chemical removal used.
City of Tustin	1993	$180,000 per year	George Wiesinger 300 Centennial Way Tustin, CA 92780 gwiesinger@tustinca.org	714-573-3135	Graffiti abatement for the City of Tustin. Paint, Pressure Washing & Chemical removal used.
Diamond Bar	1993	$52,000 per year	Bob Rose 21825 Copley Drive Diamond Bar, CA 91765 bob.rose@ci.diamond-bar.ca.us	909-839-7061	Graffiti abatement for the City of Diamond Bar. Paint, Pressure Washing & Chemical removal used.
Los Angeles County MTA	1997	$3,866,148	Keith Jackson One Gateway Plaza Mail Stop: 99-18-2 Los Angeles, CA 90012 JACKSONKT@metro.net	213-922-8888	Graffiti abatement for all the METRO light and heavy rail stations. Paint, Pressure Washing & Chemical removal used.

Los Angeles County West Area Channels	2005	$286,116 per year	Ari Telias Los Angeles County Department of Public Works Graffiti Abatement Program ATELIAS@ladpw.org	626-458-4062	Graffiti abatement for the West Area Flood Control Channels. Paint only.
City of Santa Monica	2006	$84,240 year	Rick Raygosa 1685 Main Street Santa Monica, CA 90401 rick.raygosa@smgov.net	310-458-8519	Graffiti abatement for the City of Santa Monica and the SM Pier. Paint, Pressure Washing & Chemical removal used.
City of San Gabriel	2006	$50,000 per year	Clayton Anderson 425 South Mission Drive San Gabriel, CA 91778 canderson@sgch.org	626-308-2806	Graffiti abatement for the City of San Gabriel. Paint, Pressure Washing & Chemical removal used.
Los Angeles County Various Areas Graffiti Abatement	2008	$717,000 per year	Ari Telias Los Angeles County Department of Public Works Graffiti Abatement Program ATELIAS@ladpw.org	626-458-4062	Graffiti abatement for the County of LA. Paint, Pressure Washing & Chemical removal used.
City of West Hollywood	2010	$80,000 per year	Robert Durbin Senior Maintenance Technician Facilities Division rdurbin@weho.org	323-848-6878	Graffiti abatement for the City of West Hollywood. Paint, Pressure Washing & Chemical removal used.
City of Arcadia	2010	$24,000 per year	Jim Kasama Community Development Admin. Development Services Dept. jkasama@ci.arcadia.ca.us	626-574-5442	Graffiti abatement for the City of Arcadia. Paint, Pressure Washing & Chemical removal used.

City of West Hollywood
Cultivating 1984

CITY UF
WEST HOLLYWOOD

CITY HALL
8300 SANTA MONICA BLVD.
WEST HOLLYWOOD, CA
90069-6216
TEL: (323) 848-6471
FAX: (323) 848-6565

DEPARTMENT
OF HUMAN
SERVICES

Jeffrey Woods
General Manager
Graffiti Control Systems
7260 Atoll Avenue
North Hollywood, CA 91605

October 5, 2011

To Whom It May Concern:

For well over a year now, our city has had the privilege of working with Jeff Woods and Graffiti Control Systems for graffiti abatement services. Their technician, Juan is in our city five days a week and pro-actively documents and abates graffiti as it is found. In cases where we are contacted by constituents or law enforcement informing us of known graffiti, Juan can be dispatched and many times within minutes or hours said graffiti is abated.

Graffiti Control Systems is dependable, professional and at the top of their game. I would recommend them for any government, company or agency looking to contract graffiti abatement services.

Sincerely,

Robert Durbin
Facilities & Field Services
City of West Hollywood, CA 90069

Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2952
213.922.2000 Tel
metro.net

Metro

March 15, 2010

To whom it may concern:

It is my pleasure to provide a recommendation for Woods Maintenance Company who has provided exceptional service to LACMTA (Metro) for the past 12 years.

Woods has provided graffiti abatement, trash and debris removal, and mechanical weed abatement service for Metro's properties through out Los Angeles County.

The Woods Companies have demonstrated continually to possess the required licenses, equipment, tools, and qualified personnel to handle multiple contracts for Metro properties. Their management team has provided quick response service, detailed work, and they possess a proactive attitude that divides their companies' service from the rest and sets the standards for customer service.

Sincerely,

Keith Jackson
Contracts Project Manager
Facilities Maintenance Supervisor
Los Angeles County Metro

Community Development Department

TUSTIN

BUILDING OUR FUTURE
HONORING OUR PAST

March 15, 2010

To Whom It May Concern:

This is a letter of recommendation for Graffiti Control Systems, who currently provide graffiti removal services for the City of Tustin.

Graffiti Control systems has provided graffiti removal services to the City of Tustin since 1993. They have performed exceptionally well in conjunction with City staff in removing reported and observed graffiti from both, public and private facilities. Their staff is cordial and helpful. There have been several occasions in which their services were needed on an expedited basis and the staff of Graffiti Control Systems made extraordinary efforts to accommodate City staff in these situations.

I therefore recommend Graffiti Control Systems based on their history of performance for the City of Tustin.

Please feel free to contact me if you have further questions, I can be reached at (714) 573-3134.

Sincerely,

George Wiesinger
Code Enforcement Officer

Gwiesinger: Graffiti Control Systems letter of recommendation.doc

City of
Santa Monica®

Facilities Management/
Maintenance Management Division
Community Maintenance Department
2500 Michigan Avenue
Santa Monica, California 90404-4012

March 15, 2010

To Whom It May Concern:

Graffiti Control Systems has been providing graffiti removal services to the City of Santa Monica since 2006. They have performed extremely well in conjunction with City crew members in removing and reporting graffiti from city, private and commercial properties. The staff is respectful and supportive on site and in the office. Graffiti Control Systems continues to accommodate the City Santa Monica staff and citizens in our community in providing excellent service.

If I can aid with any questions, please feel free to contact me at 310-458-8519.

Sincerely,

Rick Raygosa
Paint Crew Leader

City of Santa Monica
2500 Michigan Ave.
Santa Monica, CA 90404
310-458-8519
rick.raygosa@smov.net

City of San Gabriel

♦ City With A Mission ♦ Founded 1771 ♦

March 15, 2010

To Whom It May Concern:

I highly recommend Graffiti Control Systems as the contractor for your graffiti removal program. Graffiti Control Systems has been the City of San Gabriel's contractor since 2006, but I have worked closely with Graffiti Control Systems for ten years and have found them to be the most thorough and professional graffiti removal contractor in the business. Graffiti Control Systems employs the newest technology and ushers in the newest techniques to efficiently and effectively remove graffiti.

Graffiti Control Systems' dedication to customer satisfaction is unparalleled. Not only is Graffiti Control Systems responsive to complaints but they are also proactive. There have been numerous occasions in which I have called them at the "11th hour" to request removal of graffiti and they were always responsive.

In addition to working independently, Graffiti Control Systems follows through on all complaints to ensure that the job gets done. Graffiti Control Systems will be a tremendous asset for your city and has my highest recommendation. If you have any further questions with regard to their background or qualifications, please do not hesitate to call me at (626) 457-4636.

Sincerely,

Clayton A. Anderson

Clayton A. Anderson, Manager
Neighborhood Improvement Services

City Hall: 425 South Mission Drive, San Gabriel, California ♦ Mail: P.O. Box 130, San Gabriel, California 91778-0130
♦ 626-308-2800 ♦ FAX 626-458-2830 ♦

CITY OF SOUTH PASADENA
PUBLIC WORKS DEPARTMENT
1414 MISSION STREET, SOUTH PASADENA, CA 91030
TEL: 626.403.7240 • FAX: 626.403.7241
WWW.CI.SOUTH-PASADENA.CA.US

March 17, 2010

Barry Woods, President
Graffiti Control Systems
7260 Atoll Avenue
North Hollywood, CA 91605

Letter of Recommendation
Graffiti Removal Program

The City of South Pasadena Public Works Department manages the Graffiti Removal Program for the residents and businesses in the City of South Pasadena. We have been fortunate to utilize the services provided by Barry Woods and Graffiti Control Systems.

The graffiti removal service is efficient and provides for specialized removal techniques for all vandalized surfaces using expert color-matching, chemical or soda blasting techniques for delicate structures.

Our relationship with Graffiti Control Systems goes back some sixteen years now and we have had no incident that has been too large or difficult to manage.

We would recommend Graffiti Control Systems to any agency in need of an efficient program to remove graffiti and provide safety and security to its residents.

Sincerely,

Diana Harder
Public Works Assistant

BOARD OF PUBLIC WORKS
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PRESIDENT

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VICE PRESIDENT

PAULA A. DANIELS
PRESIDENT PRO TEMPORE

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ANTONIO R. VILLARAIGOSA
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BOARD OF PUBLIC WORKS
OFFICE OF COMMUNITY
BEAUTIFICATION

ROOM 356, CITY HALL
200 N. SPRING STREET
LOS ANGELES CA 90012

PAUL K. RACS
DIRECTOR
(213) 978-0229

GENERAL INFORMATION
(213) 978-0228
FAX: (213) 978-0241

March 10, 2006

To Whom It May Concern:

Woods Maintenance Services, Inc. (Graffiti Control Systems) has been a service provider to the City of Los Angeles for over 20 years. As a graffiti abatement contractor, they are professional, thorough and responsive, with a keen eye for detail, and customer service.

In addition to supplying roving patrols throughout the city eradicating graffiti, the Office of Community Beautification has entrusted the cleaning and protection of city murals, and all high graffiti abatement to their care and expertise.

Barry Woods and the entire management staff have been quick to volunteer time, material and equipment to beautification projects for the City, without a second thought.

I would, without hesitation or reservation, recommend Graffiti Control Systems for any municipal work under consideration as an example of outsourcing at its finest. Should you desire additional information, please feel free to contact me at 213-978-0229.

Sincerely,

Paul Racs, Director
Office of Community Beautification
City of Los Angeles, Board of Public Works

AN EQUAL EMPLOYMENT OPPORTUNITY – AFFIRMATIVE ACTION EMPLOYER

ACTIVE AND CURRENT CONTRACTOR LICENSES

State Of California
CONTRACTORS STATE LICENSE BOARD
ACTIVE LICENSE

Consumer Affairs

License Number 741322 Entity CORP

Business Name WOODS MAINTENANCE SERVICES INC DBA GRAFFITI CONTROL SYSTEMS

Classifications(s) C61/D52 C33 C61/D38 B

Expiration Date 10/31/2013 www.cslb.ca.gov

State Of California
CONTRACTORS STATE LICENSE BOARD
ACTIVE LICENSE

Consumer Affairs

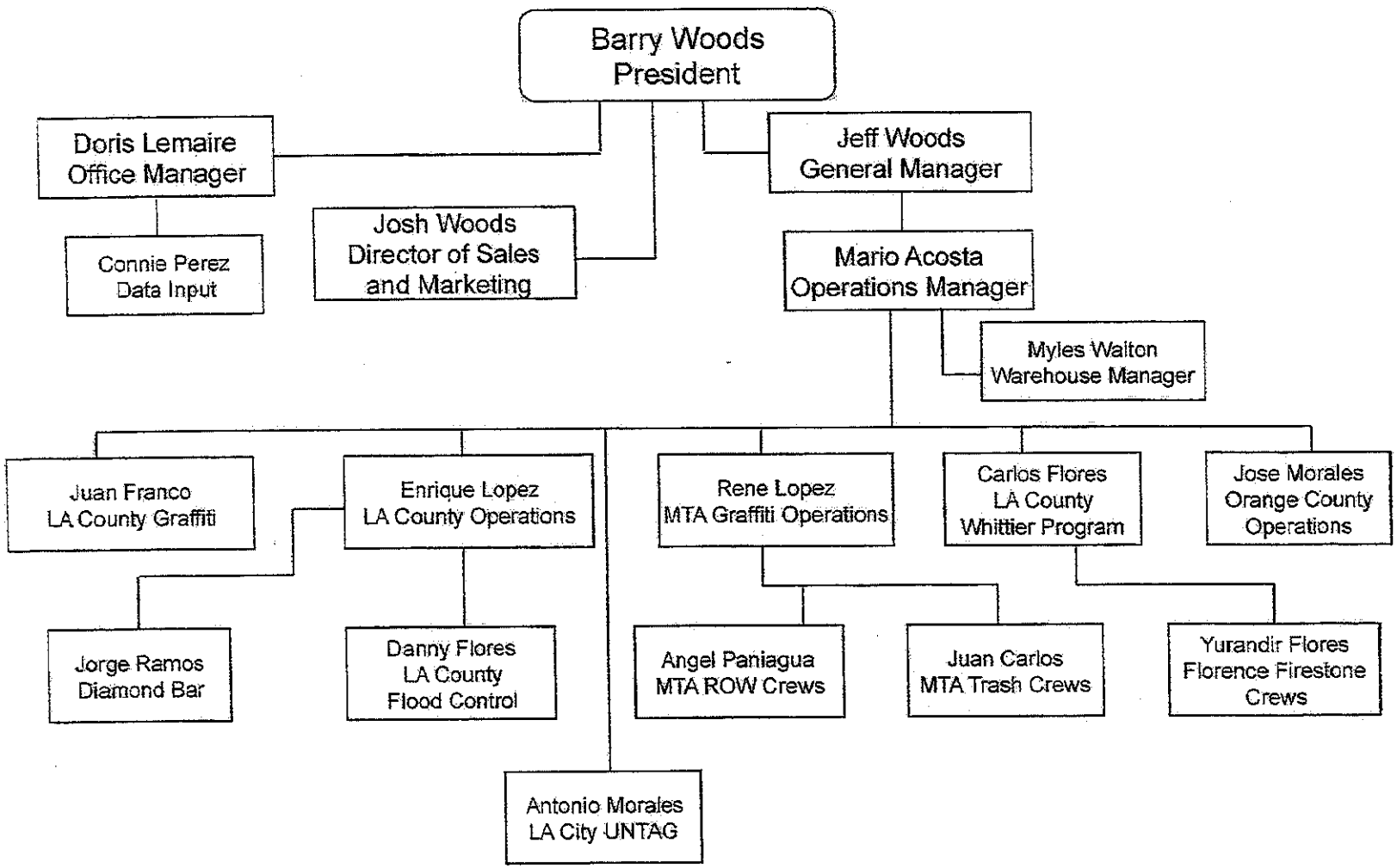
License Number 533959 Entity INDIV

Business Name JEFFREY L.WOODS

Classifications(s) C33 C61/D38 C61/D52 C61/D49 C61/D63 B

Expiration Date 06/30/2012

WOODS MAINTENANCE SERVICES, INC.



City of Bell
Agenda Report

DATE: January 11, 2012

TO: Mayor and Members of the City Council

FROM: Bill Statler

APPROVED BY: Arne Croce, Interim Chief Administrative Officer

SUBJECT: BALANCING THE CITY'S CHECK BOOK: INTRODUCTION TO CITY FINANCIAL MANAGEMENT

RECOMMENDATION:

Receive a presentation on key city financial management concepts and principles and how they relate to the City of Bell; and on the structure and recent trends of the City's General Fund revenue and expenses.

DISCUSSION OR BACKGROUND:

Given the newness of Council members to city government, the budget process approved by the Council on November 9, 2011 including providing the Council and community with an overview of key city financial management concepts and principles.

Bill Statler will make the presentation; there is no Council action requested. Mr. Statler will make a similar presentation to City staff and at a community workshop on January 19. He will also provide an even more abbreviated version at the Community Forum on January 21.

His presentation will closely follow two excellent publications from the Institute for Local Government (ILG):

- *Financial Management for Elected Officials: Questions to Ask*
- *Understanding the Basics of City and County Revenues*

Both of these publications are attached. They are also available at no cost (in both English and Spanish) from the ILG on their web site at: http://www.ca-ilg.org/fiscalpubs.

Financial Management for Elected Officials:

Questions to Ask

Inside

- Local Agency Financial Policies
- Budget Creation and Monitoring
- Financial Reporting
- Long-Term Financial Planning
- Cash Management and Investments
- Capital Financing and Debt Management
- Purchasing and Contracting Practices
- Finance Terminology (Glossary)

INSTITUTE FOR LOCAL GOVERNMENT

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Introduction

One of an elected official's most important responsibilities is oversight of agency finances. Local agency finance can be complex. In addition, local agencies face significant financial constraints in California; this includes revenue instability due to state budget decisions and economic factors, state-mandated activities and procedural restrictions on raising new revenues.

What can elected officials do to exercise the kind of careful fiscal stewardship over taxpayer resources that the community expects?

This guide provides a series of tips and questions to assist elected officials in performing this important function. In reviewing these ideas, it is important to keep in mind that local agencies vary by size, complexity of operation, and scope of activities. As a result, some of the questions and practices described may not make sense for every local agency. For example, as a budget and accounting matter, some agencies perform one function and may therefore have one "fund." Others may have multiple funds.

This guide is a starting point for conversations between local elected officials and staff. The ultimate goal is to help make sure that everyone is playing their necessary and proper roles as informed and responsible stewards of scarce public agency resources.

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Local Agency Financial Policies and Practices

Financial policies can provide a solid foundation for sound public agency fiscal practices. Adopted by the governing body, such policies provide:

- A means through which the governing body can communicate its collective policy judgments and goals to staff, the public and others.
- Direction to staff and standards against which
  1) current practices can be measured and
  2) proposals for changes in practices can be evaluated.

Ratings agencies (who assess local agencies' credit for borrowing) also look at local agencies' financial policies; well crafted polices can mean higher rating grades which can translate into lower borrowing costs.

QUESTIONS TO ASK

Financial Policies

- Does the agency have written financial policies?
- If so, what do they cover? See sidebar on next page for a checklist of possible topics.
- How often does the governing body review them?
- With respect to each policy, is it clear who is responsible for implementing that policy?
- What procedures does management use to make staff aware of such policies? What training does staff receive to allow them to competently implement such policies?
- How does the agency monitor compliance with such policies?

Financial Practices

- Are agency accounting policies and procedures documented in writing?
- What kinds of practices does the agency use (sometimes referred to as "internal controls") to make sure that the agency has systems for cross checks to minimize the risk of mistakes or maximize the likelihood that misconduct is detected?
- Does agency financial staff participate in relevant professional organizations to keep abreast of developments in the field and best practices?
- Are agency financial staff familiar with and do they adhere to the codes of ethics applicable to their professions? For example, both the California Society of Municipal Finance Officials[1] and the California Municipal Treasurers Association[2] have codes of ethics.

CHECKLIST OF FINANCIAL POLICY TOPICS[3]

Local agencies have various—and various levels—of financial policies. Some policies relate to big picture, strategic topics (for example, budget policy, long-range planning and debt policy); others are very specific and practical policies (for example, credit card policies and expense reimbursement).

Having a range of policies (from big picture to practical and operational) helps an agency to chart a wise course financially and avoid operational missteps. Whether a specific policy makes sense given the nature and scope of an agency's operations will vary.

Financial Planning Policies.[4]

- **Budget Policy.** Such a policy commits to a balanced operating budget (and defines what that is) and requires that decision-makers be alerted when deviations are either planned or otherwise occur.

- **Long-Range Planning.** Such a policy supports financial analysis and strategies to assess the long-term implications of current and proposed capital improvement needs, cost of services, operating budgets, budget policies, cash management and investment policies, program and assumptions. For example, a capital improvement plan enables the agency to detail the agency's plans and relative priorities for making improvements to and replacing capital facilities (a process that normally takes years to complete).[5]

- **Asset Inventory.** Such a policy requires an up-to-date listing of all major capital assets. The policy can also require an assessment of asset condition and a plan for replacing assets (sometimes referred to as a "capital plan"). The definition of what constitutes a "major" asset is established by local policy, as is the determination of how often the inventory is to be updated.

- **Long-Range Planning for Pension and Other Post-Employment Benefit Costs.** Such a policy analyzes how the agency will meet the future costs of agency employee pensions and other employee benefit obligations.

- **Reserve and Other Fund Balances.** Such a policy enables decision-makers to maintain a prudent level of resources to protect against a need to reduce service levels or increase revenues due to revenue shortfalls or unpredicted one-time expenses. Specific kinds of reserves can also enable an agency to set aside moneys to replace assets (for example, fleet replacement reserves).

Revenue Policies.[6] These policies help decision-makers understand and manage revenue flows.

- **Revenue Diversification.** Such a policy encourages a diversity of revenue sources to protect the agency against fluctuations in individual sources, such as sales taxes, which can rise and fall dramatically with the general economy.

- **User Fees and Charges.** Such policies establish the extent to which users of agency services are expected to cover the cost of providing the service and how those costs are determined. Note that most fees may only be used for the purposes for which they were collected and may not exceed the cost of providing the service for which the fee is charged.[7] Such policies also can provide for regular review of fee levels and calculation methods to assure that the agency meets its objectives relating to cost-recovery on an ongoing basis.

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- **One-Time and Unpredictable Revenues.** A goal of such a policy is to encourage the use of one-time or unplanned revenues for one-time needs or reserve replenishment rather than for ongoing expenses.

- **Limited Purpose Revenues.** By law or policy, certain revenues must be spent for specific purposes (for example, proceeds from special taxes). This policy explains which funds are restricted and why, limits their use to those purposes, and explains how the agency tracks their use to ensure the funds are spent only on permissible expenses.

Expense Policies.[8] These policies enable decision-makers to manage and monitor how the agency incurs expenses.

- **Financial Reporting.** Financial reports compare actual expense levels (and revenue levels) to those predicted in the agency's budget. This policy specifies the content and frequency (for example, quarterly) of these reports to decision-makers and the public.

- **Debt Financing.** This kind of policy allows an agency to specify when it can use debt for either short- or long-term needs. The policy also establishes what levels of debt and debt service payments are appropriate for the agency. It can also be a tool for complying with ongoing disclosure requirements associated with the agency's debt and monitoring compliance with those requirements.

- **Expense Reimbursement.** Such policies determine the circumstances under which elected officials and staff may be reimbursed for expenses incurred in the course of their service to the agency. This includes setting limits on certain kinds of expense levels (for example, meals and hotel rates) according to community standards. Policies also specify the kind of documentation that must be provided to demonstrate that the expense was incurred in compliance with the policy before an expense will be reimbursed. Agency counsel should review the policy for compliance with AB 1234 and other state laws.[9]

- **Credit and Purchase Card Use Policies.** The practice of issuing credit cards to agency officials and staff is increasingly rare because of the potential for misuse, either accidentally or intentionally. It can however, be useful to have one or more agency credit cards to make travel arrangements and the like. Some agencies also use purchase cards. A policy specifies controls to prevent misuse of such cards.[10]

- **Petty Cash Policies.** Such a policy provides guidelines and accountability mechanisms for day-to-day cash handling by the agency and its departments.

Cash Management and Investments. State law requires agencies to adopt an investment policy specifying how the agency may invest funds not needed for the agency's immediate and short-term needs.[11] Such a policy allows the governing body to establish and keep current the agency's investment philosophy and risk tolerance. Although well-defined policies are more than a list of allowed investments,[12] such policies should be reviewed by agency counsel to make sure that the agency's investments and practices conform with state law.[13]

Purchasing/Procurement. These policies determine the processes the agency uses in determining with whom it does business (including under what circumstances contracts are competitively bid) and which staff have decision-making responsibility in that area. Such policies also typically specify how the opportunity to do business with the agency is to be announced, with the goal being to reach a widespread number of potential reputable and cost-efficient goods and services providers.

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Budget Creation and Monitoring

Budgets are an agency's tool for linking near-term goals with the resources available to achieve them, while keeping in mind long-term goals and resources and how the agency's annual budget fits into its capital plan. Budgeting typically involves:

- Establishing goals and priorities for the agency;
- Allocating resources according to those goals and priorities; and
- Comparing actual expenses and revenues to those estimated in the current budgeted expenses, making adjustments during the course of the budget year as necessary.

As important of a function as budgeting is, decision-makers may find that their options are limited in determining how the agency's monies are actually spent. The limitations may result from legal restrictions on how funds may be used, matching funds issues (that will result in loss of revenues if the agency does not spend a certain amount), and state mandates.

Budgets play the following roles:

- **Financial Plan.** The budget document shows where agency revenues come from and how they are used. It demonstrates an agency's ability to meet recurring expenses with recurring revenues. As the fiscal year proceeds, there may need to be adjustments in the agency's financial plan—the role of elected officials is to understand why such adjustments were necessary and what steps were taken to avoid having to make these adjustments.
- **Communications Tool.** The document also is an opportunity to explain to decision-makers, the news media, staff and the public:
  - What the agency does and why;
  - How the agency is organized to deliver programs and services;
  - The kinds of programs, services and activities planned for the budget period and what kinds of costs are involved;
  - Key fiscal issues facing the agency; and
  - How the agency assesses the efficiency and effectiveness of agency efforts (see also note on performance measurement on page 9).
- **Yardstick.** Once adopted, local officials and others can use budget numbers as a reference against which to compare expenditures and revenues throughout the year. As such, the budget provides an ongoing financial management tool to make sure the agency spends within its means and balances expenses against revenues.

The budget document should be easily understood by the average member of the community. To help make this happen, financial information can be presented a variety of ways (including text, tables and charts). Including performance measures in the budget document can help the public see the relationship between costs and benefits.

Because of the public information role the budget document serves, the Government Finance Officers Association recommends that budget documents be shared via the agency's website.[14]

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Role of Governing Body Members

- Do governing body members have a clear understanding of their role in the budget process?
- Do governing body members have a meaningful opportunity to shape major goals and objectives *before* the preliminary budget is prepared (for example, in budget workshops conducted sufficiently in advance of the preliminary budget's preparation)?
- Do governing body members feel like they have been given an opportunity to understand and react to key decision points within a preliminary budget (versus being subjected to a long, random presentation about numbers)?

General Questions about the Numbers in the Budget

- What are the budget's underlying assumptions (examples of key assumptions include population changes, projected case loads or service demands, state and federal funding, construction activity, utilities costs, service demands, inflation, and interest rates)? Are these assumptions realistic? What are the potential sources of uncertainty and risks regarding these assumptions?
- Does the budget explain the projections for the most significant general fund revenue sources? (These probably account for close to a large percentage of total general fund revenues.)
- For agencies providing social services, how are caseload and benefit costs forecast and managed?
- Does the budget summarize major expenses:
  - By function or program tied to areas of public service(s) or facilities the agency provides?
  - By category? (Examples include capital expenses, debt service, and operating expenses like staffing, contract services, and supplies).
  - By fund type? (Examples include the general fund and various enterprise funds, if the agency has special funds).
- Is the budget balanced by one-time fixes or is there a sustainable long-term funding strategy (this is also an issue to be addressed in the agency's long-term financial planning documents, see page 12)?
- Does the budget clearly show the beginning and ending balances in each fund (fund balances)?
- Is the general fund budget balanced (in other words, are there enough projected revenues to fund estimated expenses)?
- Does the budget use one-time revenues only for one-time expenses (rather than ongoing expenses)?
- Does any fund have a deficit (in other words, is it projected to spend more than it brings in)? Why? Is it the deficit temporary or permanent?
- What are the most significant changes since last year's adopted budget?
- With respect to the agency's general fund, how is the fund balance projected to change?

BUDGETS DON'T TELL THE WHOLE STORY

Operating budgets and financial reports do not address many important issues that decision-makers must consider. For example, they do not:

- Show postponed or avoided costs (for example, deferred maintenance on facilities or infrastructure)
- Use of one-time or expiring revenue sources
- Indicate changes in purchasing power due to inflation or deflation.
- Measure the decline or depreciation of infrastructure (like roads, bridges and sewer lines) and public facilities (like buildings and parks).

Local officials may wish to ask staff to provide an analysis of how these variables affect the agency's ability to deliver services and facilities.

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- How are other funds' fund balances projected to change?
- How will any resulting changes affect the agency's compliance with its reserve policies?

- Does the budget compare actual expenses and revenues from past years so decision-makers and the public can understand how the agency's budgeted numbers compared to reality?
- Does the budget show changes in the agency's overall financial condition? What measures of financial condition does it use?
- How does the agency's budget compare with other agencies in the geographic area (both for the next fiscal year and the trend over the past five years)?
  - If there are differences, what are they and what factors account for the differences? (For example, are other agencies using different assumptions and why?)
  - Is the agency's budget dependent on any other agencies, in terms of revenues (or expenditures)?
  - Are the other agencies planning changes that should affect the agency's assumptions?
- Where is the agency in terms of constitutional limits on state and local spending? (In 1979 the California voters in 1979 approved a ballot measure[15] that limited the growth in state and local spending to a formula tied to increases in population and inflation. Finance professionals sometimes refer to this as the "Gann Limit" named after the ballot measure's sponsor. Local voters can approve an increase in the formula, for a period of up to years.[16])
- If changes to the budget prove necessary during the fiscal year, why are those adjustments necessary? What steps were taken to avoid having to make mid-year changes? What steps can be taken to avoid such changes in the future?

Personnel-Related Questions

- What procedures does the agency use to forecast and manage projected personnel expenses?[17] When do labor agreements expire?
- How does the agency set its salary and benefit levels or ranges?
  - Are there salary-setting guidelines available for positions within the agency? Has the agency considered and followed them?[18]
  - Does the agency research and consider salaries and benefits other agencies provide for positions with similar responsibilities in the agency's geographic area?
  - How are changes in compensation determined? For unrepresented employees not subject to a memorandum of understanding, are changes based on an annual goal-setting and performance review process? What other variables does the agency consider (overall agency fiscal health, public perception, relationship to other agencies' practices, etc.)?
  - Note: If the agency uses employment contracts, carefully consider the potential future fiscal impacts of automatic contract renewals, automatic increases in compensation, and provisions linking compensation increases to third-party contracts. These may hamper the agency's abilities to control its costs in the future.
- Are position vacancies monitored (including length of each vacancy), to determine if salary savings can be achieved, if position actually required, or if service levels are suffering?
- What is the status of the agency's funding for pension and other post employment benefits liabilities

Public Information and Transparency

- What processes will the agency use to inform the public about budget issues? What mechanisms will there opportunities will be provided for public input on budget challenges and priorities?
- Are the agency's budget and supporting documents made available on the agency's website?[19]

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NOTE ABOUT PERFORMANCE MEASUREMENT

"Performance measurement" (which is sometimes known by other names) enables an organization to assess its performance against organizational goals. This can occur as part of the budgeting process or as part of general management practices involving assessing the degree to which an organization's activities and priorities are aligned with pursuit of an organization's mission and strategy.

Under either approach, the Government Finance Officers' Association recommends that performance measurement be linked to budget decision-making: see http://www.gfoa.org/downloads/budgetperfmanagement.pdf.

More specifically, performance measurement is a management tool for systematically collecting clearly defined data regarding the effectiveness and efficiency of service delivery. The initial questions for elected officials to ask are:

1) Whether and how the agency uses performance measurement to assess its activities,

2) If the organization uses performance measurement, how is the resulting data analyzed and used in management decision-making (including decisions on allocating resources), and

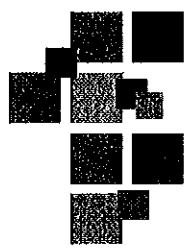
3) How are those results communicated to elected officials and the community?

There are a number of good sources on performance measurement for public agencies, including the International County-City Management Association (ICMA— http://icma.org/en/Page/107/ICMA_Center_for_Performance_Measurement) and the Government Finance Officers Association (GFOA – http://www.gfoa.org/index.php?Itemid=259&id=489&option=com_content&task=view).

LOCAL AGENCY BUDGETING: RESOURCES FOR FURTHER INFORMATION

Government Finance Officers Association, *Recommended Budget Practices: A Framework for Improved State and Local Budgeting* (1998), available at http://www.gfoa.org/downloads/RecommendedBudgetPractices.pdf.

Institute for Local Government, *A Local Official's Guide to Public Engagement in Budgeting* (2010), available at http://www.ca-ilg.org/budgetingguide.



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Financial Reporting and Accounting

Financial reports are an essential oversight tool. There are two basic kinds of financial reports:

- **Interim Reports.** These include monthly reports, quarterly reports and mid-year budget reviews.
- **Annual Reports.** Well-managed public agencies typically prepare a report at the end of the year explaining revenues and expenditures levels.

In addition, local agencies that receive federal or other grant moneys may be subject to specific funder financial reporting requirements.[20]

Good interim reporting identifies important trends in time for local officials to act on them before serious problems arise. Audited financial reports alert governing body members if there are irregularities in financial practices and financial reporting. Both kinds of reports require a solid financial information system to track revenues and expenditures and provide that information to decision-makers.

QUESTIONS TO ASK

Interim Reporting

- What kind of reports do agency managers receive? What do they do with them?
- How often do elected officials receive interim financial reports? Does staff review the information in these reports with local officials?
- Do the reports provide meaningful information that gives local officials an accurate portrayal of the agency's current financial picture to date?
- Do the reports compare expectations with actual results? Do they discuss key variances between the two?
- Are there adverse patterns?
- Does staff have a plan to address problem areas?
- Are there inconsistencies or conflicting trends?
- Do the reports identify areas of uncertainty or risk in any forecasts contained in the reports?
- Do the reports frequently contain surprises (unexpected developments)?

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QUESTIONS TO ASK *continued*

Annual Reporting

- Are the annual financial reports prepared by a certified public accountant, in accordance with generally accepted accounting principles? Are these reports audited by an outside or independent auditor?
- Have all the required disclosures, for example, those required by the Governmental Accounting Standards Board (GASB—sometimes often pronounced "gaz-bee") been made?
- How long has the outside or independent auditor been auditing the agency? Does the agency periodically change auditors every few years to provide a fresh view of the agency's financial practices and reports?
- What is the relationship between the auditor and both the agency staff and the governing body? Is the auditor getting the information he or she needs in a timely manner? Is communication open and encouraged?
- Are the audited annual financial reports timely—within six months after year-end?
- Should the agency have an audit committee to select and supervise the work of the outside or independent auditor?[21]
- Are the auditors' opinions "unqualified?" (An "unqualified" opinion means that the auditor concludes the agency followed all accounting rules and that its financial reports present an accurate picture of the agency's financial condition. A qualified opinion is a significant warning sign that demands attention from the governing body.)
- Does the auditor prepare a transmittal letter that clearly and concisely describes the agency's fiscal status?
- Does the auditor issue a letter to the governing body reporting on the agency' internal controls?
- Does the agency follow the "Award for Excellence in Financial Reporting" guidelines of the Government Finance Officers Association?[22] If not, why not?

SOME FINANCIAL WARNING SIGNS

- Operating expenses exceeding revenues by more than five percent during the year
- Large mid-year variances in budgeted revenues and expenditures versus actual
- Inadequate or late financial reports
- Depletion of reserves to balance budget, for example if the reserves fall below ten percent of operating costs.
- Outstanding loans between funds at the end of the fiscal year
- Expenses exceeding revenues for two consecutive years, with the second year's deficit being larger than the first year's
- Debt service exceeds 10 percent of current revenues
- Increase in debt service as percentage of operating budget each year
- Qualified auditor's opinions
- Reports of internal control weaknesses from the agency's auditors with no corresponding plan to address (or repeated reports of such weaknesses from year to year)
- Large turnover in staff responsible for monitoring financial status

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Looking Ahead: Long-Term Financial Planning

- **Why Do Fiscal Forecasts?** Forecasting helps the agency think about the factors affecting the agency's fiscal health (and what can and cannot be done about them). Forecasting also helps elected officials, staff and the community understand the long- term fiscal challenges and opportunities they face, as well as possible advance warning of future uncertainties (for example, voter initiatives and state budget decisions).

- **Recognize Limitations.** Circumstances change and assumptions become outdated. Clearly stating the agency's assumptions in making a forecast encourages the review, and re-evaluation of those assumptions, when necessary.

QUESTIONS TO ASK

- Does the agency periodically prepare and/or update a long-term fiscal forecast?

- If so, does the forecast take into account key variables relating to revenues and expenses? Variables include demographic factors like changes in population and case loads. They can include economic factors like inflation, new construction, property values and the overall business climate (which can affect sales taxes). Other external factors can include legislative developments and court decisions. Projected costs related to pension obligations and labor agreements are another potential variable.

- Does the forecast reach clear conclusions about what these variables mean for the agency's future revenues and expenses?

- Does the forecast also identify areas of risk and uncertainty that may limit the degree to which the agency can rely on the forecast?

- To what extent are the results of the forecast shared with decision-makers, the news media and the public?

- What level of detail do decision-makers want to receive regarding the agency's long-term financial planning? (Some governing bodies will want fairly detailed information whereas others will want bigger picture information. There is not a right level of detail – the goal is to give governing body members the level of detail that makes them comfortable.)

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Cash Management and Investments

Sometimes, public agencies have funds on hand that are being held for longer-term needs. These may be invested in a variety of bonds (but not stocks), notes and other instruments allowed by state law.

The governing body's role is to be a wise steward of the public's resources. The objectives in managing public funds are, in priority order:

1. Safety (the likelihood that the agency will get all its money back)
2. Liquidity (the agency's ability to withdraw funds on short notice)
3. Yield (the interest or other return on the investment)

In light of these objectives, prudent public agency investment managers never seek to earn maximum returns on the agency's portfolio at the expense of safety or liquidity. This would expose the agency to an unacceptable level of too much risk.

Instead, they focus on seeking to earn a reasonable rate of return on the agency's investments, while preserving capital in the overall portfolio and meeting the cash flow needs of the agency. There are funds that specialize in investing public agency funds; the Local Agency Investment Fund (LAIF) of the State Treasurer's office and CalTrust are examples.

QUESTIONS TO ASK

- What oversight procedures does the agency use for its investments?
- Who is responsible for the day-to-day supervision of the agency's investment activities?
- If that authority has been delegated to the agency's treasurer, has that authority been delegated annually as required by law?[23]
- If that authority has been contracted out, who is responsible for oversight?
- What is the agency's investment policy? Is it understandable? Does the governing body review it annually as the law requires?[24]
- Do governing body members receive and review periodic investment reports?[25] Do these reports include an analysis of cash flow needs?
- Are the investment reports clear and understandable? (A lack of clarity can be a sign of problems or undue investment complexity.)
- Do the reports show numerous investments and transactions? Why? (Many public agencies do not have portfolios that justify "active" management with lots of sales, purchases and trades.)
- Are the agency's investments diverse or are the agency's assets invested in just a few places?
- Do the agency's policies allow investments in derivatives or other potentially high-risk instruments? Does that agency have any such high risk investments?
- Are any bank holdings over the FDIC insurance limit (which may vary from bank to bank) and do such depositories otherwise comply with state and federal standards to provide security for public agency deposits?[26]

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Capital Financing and Debt Management

Debt financing is neither a "bad" nor a "good"—it is simply a tool for achieving community goals. However, debt does come at the price of costs of issuance and interest charges, as well as the obligation to make regular loan payments and conform to market disclosure and terms of the debt instruments on an ongoing basis.[27] Allowing these payments to become a dominant part of the agency's budget limits the agency's ability to respond to unplanned expenses.

Debt financing is usually appropriate for:

- **Temporary Short-Term Cash Flow Issues.** An agency may need to bridge cash flow gaps while waiting to receive key revenues (like property taxes in December and franchise fees in April). The agency may cover these gaps by issuing "tax" or "revenue" anticipation notes (sometimes known by the acronym "TRANs"). In this case, any amount borrowed must generally be paid back within a year.

- **Long-Term Improvements.** Debt financing is also appropriate for truly high-priority, one-time improvements – when it makes sense for current taxpayers to share the cost with those who will benefit 20 or 30 years in the future. By contrast, borrowing for ongoing operational expenses or short-term capital needs is inadvisable. The length of the debt should never exceed the useful life of the debt-financed asset.

Any agency's ability to borrow and repay debt capacity is limited. Amounts borrowed for today's project are funds that cannot be borrowed tomorrow. Amounts required for debt repayment in the future are funds that will not be available for other programs and services.

Recognizing the significance of the decision to incur long-term debt for a public agency, California's constitution requires the public voters to approve debt[28] that would be repaid from future general fund revenues.[29] While there are a number of exceptions to this requirement (including the special fund doctrine for revenue bonds[30] and an exception for financing leases), the constitutional principle is important to keep in mind. Incurring debt obligates the community into the future and reduces financial flexibility. Accordingly, the benefits of doing so should outweigh these costs.[31]

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QUESTIONS TO ASK

- Does the agency have a multi-year capital improvement plan? (Having such a plan enables decision-makers to consider key factors like project priorities, debt capacity and what role fees will play in financing).
    - If the agency has such a plan, is it realistic? If not, what steps are necessary to make it realistic?
    - If an agency has such a plan, what does the plan *not* include? For example, does it assume that new development will bear the costs of capital improvements necessitated by that development? If so, the plan should so state.
    - Does the multi-year capital improvement plan include specific information about how future maintenance costs will be paid for? It's not wise to build an asset the agency cannot afford to maintain.
- Does the agency have clear capital financing and debt management policies? Who is responsible for implementing and monitoring compliance with these policies?
    - Do these policies provide decision criteria for when incurring debt is appropriate?
    - Do these policies address what type of debt financing is appropriate (for example, a) variable versus fixed rates, and b) are interest rate swap agreements allowable and under what circumstances?)
    - Do these policies address protection of credit quality?
    - Do these policies address debt capacity?
    - Do these policies address costs/benefits of risk examinations for proposed debt?
    - Do these policies address who is on the agency's financing team and how consultants like bond counsel, financial advisors, trustees, assessment engineers and underwriters are selected? Are the selection criteria being followed?
    - Do these policies address disclosure to and relations with debt rating agencies?
    - Do these policies address who is responsible for conformance with bond covenants (obligations the agency agrees to as part of bond financing) on an ongoing basis?
- Does the agency have a debt advisory committee? If so, does the membership of the committee include representatives from the local community?

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Purchasing and Contracting Practices

Procurement policies and practices enable an agency to promote maximum value and economy for the agency's constituents through fair and competitive processes. The goal underlying such policies is to select vendors and service providers using processes in ways that minimize opportunities for favoritism and that provide for competitive pricing. For service providers, the task also involves assessing whether the provider's skills best meet the agency's needs.

Purchasing presents a number of ethical and legal hazards for local officials, despite what can be a relatively small impact on overall agency spending. This is because missteps can undermine the public's overall confidence in the agency's financial practices. For more information, see www.ca-ilg.org/procurementpractices.

For public works projects, state law generally defines when local agencies must use competitive bidding.[32]

QUESTIONS TO ASK

- What steps does the agency use to have a fair, open and competitive purchasing process?
- Does the agency's purchasing process explain the respective roles of staff and elected officials in that process?
- Have employees involved in the purchasing process received training or informational materials on the importance of both the appearance and substance of fairness in the procurement process?
- Are the purchasing rules straightforward enough so that everyone who has a part in implementing them understands the underlying goals and key rules? One element of clarity can be having separate policies depending on the nature of the purchase (for example, one for goods, one for services and another for public works projects).
- If the agency has a decentralized purchasing system (in other words, if purchase are made separately by different departments), does the agency have clear organization-wide standards and guidelines?
- Does the agency take advantage of cooperative purchasing opportunities with other public agencies?
- Does the agency have policies in place to comply with applicable prevailing wage requirements? These are especially common for vehicles and other big-ticket items?
- Would increased reliance on "just-in-time" deliveries that eliminate large inventories and warehouse systems be useful for the agency?
- Does the agency have policies in place for the proper disposal of surplus property? How has staff been made aware of such policies?
- Is the agency alert to and actively monitor contract terms for cost escalators and automatic renewals that can cause increases that can cause the agency to lose control of costs?
- Are staff responsible for purchasing decisions required to file annual disclosure statements relating to economic interests and gift receipt (known as "Form 700s")?

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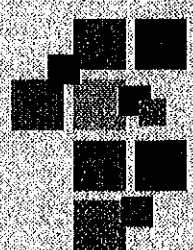
LIMITS ON AGENCY EXPENSES/PROPER USES OF PUBLIC RESOURCES

Invariably, there are more worthy uses for public funds than there are funds available. Deciding how limited public resources will be allocated is a key responsibility of elected officials, although it is important to acknowledge that decision-makers may have less discretion than one might expect in deciding how public monies are spent.

That being said, the law imposes some basic restrictions on how public resources may be used. For example, any use of public resources must serve the needs of the agency's constituents. California's Constitution expresses this principle by prohibiting "gifts" of public funds by the Legislature, general law cities, and agencies created by state statute;[33] some city charters also contain this restriction. Agency counsel can provide guidance on the issue of what constitutes an impermissible gift of public funds. An example, however, is a payment to another public agency for their purposes, with no benefit flowing back to the donor agency's constituents.[34]

Along similar lines, personal or political uses of public resources also are not allowed.[35] This prohibition applies to not only public money, but also to anything paid for with public money (for example, agency equipment, supplies and staff time). An example of how this prohibition applies is that public resources may not be used for advocacy efforts on ballot measures. (For more information, see www.ca-ilg.org/BallotMeasureLegalIssues). Elected officials should ask how staff and newly elected officials are made aware of these restrictions.

Finally, local agencies must adopt expense reimbursement policies for elected and appointed officials.[36] Agency counsel should review the policy for compliance with state law. Most agencies have adopted expense reimbursement policies for staff as a matter of sound practice.



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Brief Glossary of Financial Management Terms

Note: The following glossary is designed to help non-finance experts understand some of the terminology used in public agency financial management. Public agency financial management frequently involves terms that are unfamiliar to non-experts, the definitions of which also involve other unfamiliar terms. The definitions and explanations offered below sometimes sacrifice technical accuracy in order to promote a general understanding of what a term means.

The Institute for Local Government encourages those that wish absolute technical accuracy to consult additional sources.

Accounting Standards
Generally accepted accounting principles (sometimes referred to by the acronym GAAP) published by the Governmental Accounting Standards Board (sometimes referred to by the acronym GASB) that guide local and state agencies' recording and reporting of financial information. The standards establish such guidelines as when transactions are recognized and annual financial report content.

Accrual Basis Accounting
An accounting method in which revenues (or income) are entered into the accounting system when they are payable (even though the money may not have been received yet), and expenses are recognized when the commitment to pay is made (even though no payment may have occurred yet). *Compare with Cash Basis Accounting.*

Bond
An interest-bearing promise to repay a specified sum of money borrowed (known as the principal amount) by a specified date. *See also "General Obligation Bonds."*

CalTRUST
A joint powers authority created by public agencies to provide a safe and convenient method for public agencies to pool their assets for investment purposes.

Capital Budget
A spending plan for improvements to or acquisition of land, facilities, and infrastructure. The capital budget balances revenues and expenditures, specifies the sources of revenues, and lists each project or acquisition.

Capital Improvement Program (CIP)
The section in the agency's budget for capital improvement projects, such as street or park improvements, building construction, and various kinds of major facility maintenance.

Capital Outlay
Spending that results in the acquisition of or addition to the agency's land, buildings, equipment, machinery, vehicles, and the like to provide services to the community (sometimes these are referred to as "fixed assets"). .

Cash Basis Accounting
An accounting method in which revenues are entered into the agency's accounting system when the cash is received and spending is entered into the system when the agency makes a payment. To comply with generally accepted accounting principles, local agencies must use accrual basis accounting, rather than cash basis. *Compare with "Accrual Basis of Accounting."*

Construction / Development Tax
A tax imposed on development and/or the availability or use of public agency services. *See also "Development Impact Fees."*

Contingency
In budgets, an amount that is set aside to meet unforeseen circumstances.

Debt Financing
Issuing bonds and other kinds of debt instruments to finance agency activities in service to the public.

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Debt Service
Annual principal and interest payments an agency owes on money that it has borrowed.

Debt Service Funds
One or more funds in an agency accounting system established to track payments made to repay principal and interest on debt.

Development Impact Fees
Amounts charged in connection with land development to pay for facilities or services that will be needed to serve the new development that are tied to the proportionate costs of providing those facilities or services to that development.

Enterprise Fund
A separate fund used to account for services supported primarily by service charges. An example would be a solid waste fund supported by charges solid waste service receivers pay.

Entitlement Program
A benefit program in which funding is allocated according to eligibility criteria. All persons or agencies must meet the criteria specified by federal or state laws in order to receive the benefit.

Estimated Revenue
The amount of revenue the agency expects receive during a fiscal year.

Expenditure
An amount paid for goods and services associated with the provision of public services, including payments for debt retirement and capital outlays.

Fee
A charge for the cost of providing a particular service. Public agency fees may not exceed the estimated reasonable cost of providing the particular service or facility for which the fee is charged, plus overhead.

Fines, Forfeitures and Penalties
Revenues received and/or bail monies forfeited upon when an individual is convicted of a misdemeanor or municipal infraction.

Full Faith and Credit
When a local agency uses debt financing, more specifically general obligation bonds, it makes a pledge to bondholders the agency will use all available funds to meet the agency's obligation to repay bondholders.

Full-Time Equivalent (FTE)/Staff Year
The number of hours per year that a full-time employee is expected to work. If there are two workers, each of whom works half that number of hours per year, the two workers together equal one full-time equivalent or one staff year.

Fund
A self-balancing set of accounts. For agencies with more complex budgets, accounting information is organized into funds, each with separate revenues, expenditures, and fund balances.

Fund Balance
Difference between the assets (revenues and other resources) and liabilities (amounts spent or committed to) of a particular fund.

General Fund
Fund used to account for all financial resources except those accounted for in another fund (for example, enterprise or grant funds). Usually, the general fund is the largest fund in a local agency.

General Obligation (G.O.) Bonds
A form of debt in which the agency pledges its "full faith and credit" to collect enough money each year to repay the amount borrowed plus interest.

General Tax
A tax imposed for general governmental purposes, the proceeds of which are deposited into the general fund. An agency must comply with certain procedural requirements to impose, increase or extend a general tax, including securing approval of the tax by majority vote of the electorate. *See also "special tax."*

Generally Accepted Accounting Principles (GAAP)
Uniform minimum standards used by state and local agencies for financial recording and reporting which have been established by the Governmental Accounting Standards Board (sometimes referred to by the acronym GASB).

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Governmental Accounting Standards Board (GASB)
The body that sets accounting standards for governmental entities at the state and local levels.

Grant
A payment of money from one entity to another for a specified purpose, activity or facility. Generally, grants do not have to be repaid by the recipient, as long as the recipient uses the funds for the promised purposes, activities or facilities.

Intergovernmental Revenue
Revenues from other public agencies in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

Investment Earnings
Revenue earned from the investment of public funds.

Licenses and Permits
These represent the agency's permission to engage in certain kinds of activities. Local agencies often charge fees designed to reimburse local agency for costs of regulating activities being licensed, such as licensing of animals, bicycles, etc.

Lien
A claim on assets, especially property, for the payment of taxes or utility service charges.

Liquidity
The ability to convert a security into cash promptly with minimum risk of principal.

Local Agency Investment Fund (LAIF)
A special investment fund in the state treasury into which local agencies may deposit money for investment.

Maintenance of Effort (MOE)
A requirement, often imposed as a condition of receiving certain kinds of funding, that the agency maintain a certain level of spending. The goal of such requirement is to have the funding being provided increase the level of spending on the program (and conversely, avoid having the extra funding be used to replace existing spending).

Mandate
A state of federal requirement that local agencies perform a task in a particular way or perform a task to meet a particular standard, often without providing the revenues to do so.

One-Time Expenditures
A term used to differentiate routine, ongoing costs within a given budget from non-recurring costs that will not be repeated in future years. A capital expenditure can be a one-time expenditure (although an agency may need to evaluate whether the agency will incur maintenance or replacement costs. This category may also include single-year appropriations for special purposes.

Other Post Employment Benefits (OPEB)
A pension is a form of "post-employment benefit," that is, a benefit an employee receives after their service to the agency ends. "Other" forms of such benefits can include health insurance and other health-related benefits provided to former employees.

Performance Measures
Indicators used in the budget to show items such as 1) the amount of work accomplished, 2) the efficiency with which tasks were completed, and 3) the effectiveness of a program. Such indicators can help the public understand what public agency spending accomplishes.

Portfolio
The collection of investments held by a local agency.

Prevailing Wage
The basic hourly rate paid on public works projects to a majority of workers engaged in a particular craft, classification or type of work within the locality and in the nearest labor market area (if a majority of such workers are paid at a single rate). Prevailing wage laws require all bidders to use the same wage rates when bidding on a public works project.

Principal
The original amount of a bond or debt (sometimes also referred to as "face" or "par value"), not including accrued interest.

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Program Revenues
Income generated by programs and/or dedicated to offset the program's costs.

Rating
Letters and numbers used by rating agencies to express their assessment of the likelihood of a bond or debt being repaid.

Rating Agencies
Firms that evaluate the likelihood bonds or debts will be repaid by assigning ratings to those bonds or debts. A bond rating is often the single most important factor affecting the interest cost on bonds. There are three major rating agencies for municipal bonds: Moody's Investors Service, Standard & Poor's, and Fitch Ratings.

Realignment
Actions taken by the State of California in 1991 to restructure the state-county fiscal relationship by making certain health and social service programs county responsibilities, changing the cost-sharing ratios for those programs, and providing some forms of revenue to help pay for the new responsibilities.

Rents
Revenues received through the rental of public properties to private parties such as convention space and library facilities.

Reserve
Amounts set aside to provide a funding source for extraordinary or unforeseen expenses or revenue shortfalls. Sometimes also referred to as "fund balance(s)" to reflect multiple agency funds. *See also definition of "fund."*

Revenue
Income received by the local agency. For more information on sources of county and city revenues, see Institute for Local Government, *Understanding the Basics of County and City Revenues (2008), available at www.ca-ilg.org/revenueguide.*

Revenue Bonds
A form of debt in which the agency pledges the income received from the operation of the facilities being financed with the debt to repay the amounts borrowed plus interest.

Salaries and Benefits
Salaries includes the compensation paid to full-time, part-time, temporary, and extra-help employees, including overtime, vacation pay, sick leave pay and any type of premium pay. Benefits include the agency's share of the costs for health, dental, life insurance, retirement, Social Security and Workers' Compensation.

Sales Tax
A tax imposed on the total retail price of merchandise sold by a retailer. *See also "Use Tax."*

Secured Roll
A list containing all assessed property secured by land subject to local taxation

Securities
Pieces of paper (sometimes referred to as "instruments") that represent financial value. Examples include bonds and stocks.

Service Charges
Amounts charged to cover the cost of providing services to individuals or companies.

Short-Term Financing Methods
Techniques used for many purposes, such as meeting anticipated cash flow deficits, interim financing of a project, and project implementation. Using these techniques involves issuance of short-term notes.

Special Revenue Fund
Funds used to account for proceeds from specific revenue sources that are legally restricted as to how the revenues may be spent. A special revenue fund must have a separate budget adopted annually.

Tax and Revenue Anticipation Notes (TRANS)
A short term loan that local agencies use to even out cash flow during the year. The loans take the form of a debt ("note") that is secured by anticipated tax and other revenue collections.

Tax Base
The objects or transactions to which a tax is applied (for example parcels of property, retail sales, etc.). State law or local ordinances define the tax base and the objects or transactions exempted from taxation.

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Tax Rate
The amount of tax applied to the tax base. The rate may flat, incremental or a percentage of the tax base, or any other reasonable method.

Total Appropriations and Total Revenues
The consolidation of all revenues and expenditures for all funds. The purpose is to report accurately the full amount of governmental revenues and expenditures for the budget period

Use Tax
A tax imposed on the use or storage of tangible personal property when sales tax is not paid. *See also "sales tax."*

User Fee
Fees charged for the use of a public service or program. An example is fees charged to participants in recreation programs. User fees for property-related services are referred to as property-related fees.

Utility Rate
A category of user fee paid by the user of utility services.

Utility Users Tax
Tax imposed on the consumer (residential and/or commercial) of any combination of electric, gas, cable television, water, and telephone services.

Vehicle License Fee (VLF)
Annual registration fee imposed on vehicles.

Williamson Act and Open Space Subvention
Officially known as the California Land Conservation Act of 1965, a law that allows local agencies to enter into contracts with private landowners to restrict specific parcels of land to agricultural or related open space use. In return, landowners receive property tax assessments which are much lower than normal because they are based upon farming and open space uses as opposed to full market value. The program contemplates local agencies receive an annual subvention of forgone property tax revenues from the state.

Yield
The total amount of revenue an agency expects to receive from a tax, determined by multiplying the tax rate by the tax base. Also, the annual rate of return on an investment, expressed as a percentage of the investment.

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Endnotes

1 The California Society of Municipal Finance Official Code of Ethics can be found at: http://www.csmfo.org/index.cfm?fuseaction=Detail&CID=4&NavID=154 .

2 The California Municipal Treasurers Association Code of Ethics can be found at: http://www.cmta.org/?page=4 .

3 GFOA Recommendations: Adoption of Financial Policies, with cross references to National Advisory Council on State and Local Budgeting (NACSLB), http://www.gfoa.org/downloads/budgetAdoptionofFinancialPolicies.pdf.

4 GFOA Recommendations: Adoption of Financial Policies, with cross references to National Advisory Council on State and Local Budgeting (NACSLB), http://www.gfoa.org/downloads/budgetAdoptionofFinancialPolicies.pdf.

5 *See* GFOA website with long-term financial planning resources: http://www.gfoa.org/index.php?option=com_content&task=view&id=360&Itemid=186.

6 GFOA Recommendations: Adoption of Financial Policies, with cross references to National Advisory Council on State and Local Budgeting (NACSLB), http://www.gfoa.org/downloads/budgetAdoptionofFinancialPolicies.pdf.

7 *See, for example,* Cal. Gov't Code § 66016.

8 GFOA Recommendations: Adoption of Financial Policies, with cross references to National Advisory Council on State and Local Budgeting (NACSLB), http://www.gfoa.org/downloads/budgetAdoptionofFinancialPolicies.pdf.

9 *See* Cal. Gov't Code § 53232.2(b) ("If a local agency reimburses members of a legislative body for actual and necessary expenses incurred in the performance of official duties, then the governing body shall adopt a written policy, in a public meeting, specifying the types of occurrences that qualify a member of the legislative body to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses."). *See also* http://www.leginfo.ca.gov/calaw.html for additional information on what such policies must include.

10 *See* GFOA Best Practices: Purchasing Cards, http://www.gfoa.org/downloads/PurchasingCardFINAL.pdf for suggested practices for preventing and detecting abuse.

11 *See* Best Practices for Treasury Management, Government Finance Review (April 2000), available at http://www.gfoa.org/downloads/CASHTreasuryapr00.pdf. The California Municipal Treasurers' Association offers sample investment policies at http://www.cmta.org/?page=39.

12 Back to Basics: Making the Case for Investment Policies, *Government Finance Review* (August 2002) available at http://www.gfoa.org/downloads/CASHInvestPol0802.pdf.

13 *See* Cal. Gov't Code §53600 and following (note that an agency is not required to authorize the full range of all investments allowed by state law). *See also* http://www.leginfo.ca.gov/calaw.html for specific statutory language.

14 GFOA Recommended Best Practice: Using Websites to Improve Access to Budget Documents and Financial Reports (2003), http://www.gfoa.org/downloads/caafr-budgets-to-websites.pdf . *See also* http://www.gfoa.org/downloads/websitepresentation.pdf.

15 *See* Cal. Const. art. XIIIB (added by Proposition 4 on the 1979 ballot and sometimes referred to as the "Gann Limit" after the ballot measure's leading proponent). *See also* Cal. Gov't Code § 7900 and following.

16 Cal. Const. art. XIIIB, § 4.

17 *See* GFOA Recommended Best Practice: Managing the Salary and Wage Budgeting Process (2010), http://www.gfoa.org/downloads/GFOA_ManagingtheSalaryandWageBudgetingProcessBP.pdf.

18 *See, e.g.,* League of California Cities City Manager Compensation Guidelines, available at http://www.cacities.org/resource_files/29206.CityManagerCompensationGuidelines091710.pdf .

19 GFOA Recommended Best Practice: Using Websites to Improve Access to Budget Documents and Financial Reports (2003), http://www.gfoa.org/downloads/caafr-budgets-to-websites.pdf . *See also* http://www.gfoa.org/downloads/websitepresentation.pdf.

20 *See* Single Audit Act Amendments of 1996, OMB Circular A-133, the OMB Circular Compliance Supplement and Government Auditing Standards, http://www.whitehouse.gov/omb/financial_fin_single_audit.

21 GFOA Recommendation: Audit Committees (2008), http://www.gfoa.org/downloads/caafrAudit_Committee_revised.pdf.

22 Available at http://www.gfoa.org/downloads/GENERALPURPOSECHECKLIST.pdf.

23 *See* Cal. Gov't Code § 53607.

24 *See* Cal. Gov't Code § 53646(a).

25 *See* Cal. Gov't Code §§ 53607, 53646(b).

26 *See* Cal. Gov't Code § 53630 and following.

27 GFOA Recommendation: Understanding Your Continuing Disclosure Obligations for Debt (2010), http://www.gfoa.org/downloads/GFOA_understandingcontinuingdisclosureBP.pdf.

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[28] Cal. Const. art. XVI, § 18(a) ("No county, city, town, township, board of education, or school district, shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two-thirds of the voters of the public entity voting at an election to be held for that purpose, except that with respect to any such public entity which is authorized to incur indebtedness for public school purposes, any proposition for the incurrence of indebtedness in the form of general obligation bonds for the purpose of repairing, reconstructing or replacing public school buildings determined, in the manner prescribed by law, to be structurally unsafe for school use, shall be adopted upon the approval of a majority of the voters of the public entity voting on the proposition at such election; nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and to provide for a sinking fund for the payment of the principal thereof, on or before maturity, which shall not exceed forty years from the time of contracting the indebtedness.") Note that subdivision (b) goes on to provide for additional details relating to school debt.

[29] *See Rider v. City of San Diego*, 18 Cal.4th 1035, 1045 (1998).

[30] *See, for example, California Housing Finance Agency v. Elliott*, 17 Cal. 3d 575, 587 (1976).

[31] *See generally*, GFOA Recommendation: Debt Management Policy (1995 and 2003), http://www.gfoa.org/downloads/debt-management-policy.pdf .

[32] For county projects, the threshold for complying with state law relating to public work contracts and bidding procedures is based on population: counties with populations of 500,000 or more ($6,500); counties with populations of 2 million or more ($50,000); and all other counties ($4,000). *See* Cal. Pub. Cont. Code §§ 20120-20123. *See also* Cal. Pub. Cont. Code § 20390- 20409 (relating to work on county roads). For general law cities, public works projects worth more than $5,000 are subject to the state's competitive bidding requirements. Cal. Pub Cont. Code §§ 20160-20162. The state's Public Contract Code also has various competitive bidding requirements for special districts based on the kind of district. See Cal. Pub. Cont. Code §§ 20190-20381. Note that it is a misdemeanor to split projects to avoid competitive bidding requirements. *See, e.g.,* Cal. Pub. Cont. Code §§ 20123.5, 20163.

[33] Cal. Const. art. XVI, § 6.

[34] *See, for example, Golden Gate Bridge & Highway Dist. v. Luehring*, 4 Cal. App. 3d 204 (1970).

[35] *See* Cal. Gov't Code § 8314; Cal. Penal Code § 424. *See also* Cal. Gov't Code § 54964.

[36] *See* Cal. Gov't Code § 53232.2(b) ("If a local agency reimburses members of a legislative body for actual and necessary expenses incurred in the performance of official duties, then the governing body shall adopt a written policy, in a public meeting, specifying the types of occurrences that qualify a member of the legislative body to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses."). *See also* http://www.leginfo.ca.gov/calaw.html for additional information on what such policies must include.

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Acknowledgments

Special thanks to the following individuals whose expertise contributed to this publication:

Laura Allen, *City Manager, Town of Colma*

Bob Clary, *Administrative Services Officer, Community Services, County of Sutter*

Michael G. Colantuono, *Colantuono & Levin, PC*

Michael Coleman, *Fiscal Policy Advisor, League of California Cities*

Diane Dillon, *Supervisor, County of Napa*

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Mike Garvey, *ICMA Senior Advisor*

Rick Haffey, *County Administrator, County of Nevada*

Jean Hurst, *Legislative Representative, California State Association of Counties*

Peter J. Kampa, *SDA, General Manager, Tuolumne Utilities District*

Dan Kaplan, *Finance Director, Social Services Agency, County of Alameda*

Marlene Kelleher, *Finance Manager, Vista Irrigation District*

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The Institute for Local Government promotes good government at the local level with practical, impartial and easy-to-use resources for California communities.

The Institute is the nonprofit 501 (c)(3) research and education affiliate for the California State Association of Counties and the League of California Cities.

The Institute's current program areas include:

- Local Government 101
- Public Engagement
- Public Service Ethics
- Sustainability

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UNDERSTANDING THE BASICS OF

COUNTY and CITY REVENUES

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IIG INSTITUTE FOR LOCAL GOVERNMENT

Generous Support for this Publication Provided by:

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Special thanks to the following individuals whose time and effort contributed to this publication:

Dan Carrigg, Legislative Director, League of California Cities

Michael G. Colantuono, Colantuono & Levin, P.C.

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All final decisions about the content, tone and formatting of this publication were made by the Institute for Local Government.

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UNDERSTANDING THE BASICS OF COUNTY AND CITY REVENUES
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UNDERSTANDING THE BASICS OF

COUNTY and CITY REVENUES

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Introduction

Counties and cities do many things to improve the quality of life for everyone in California. Each one of California's 38 million residents lives within the boundaries of one of the state's 58 counties. Over 31 million people — more than 80 percent — live in one of California's 478 cities.

Counties and cities share similar roles in providing a vast array of municipal services to residents. These services include public safety (police, fire and emergency services), land use planning, parks and recreation, social services, and the justice system. Those local governments also provide important facilities, including roads, flood protection, sewers, water, solid waste disposal and other utilities. Counties have an additional role as a delivery channel for many state services, such as foster care, public health care, jails and elections.

How do counties and cities pay for such services and facilities? The short answer is they rely on a variety of revenues. The actual mix varies between counties and cities, based on the roles they play in our system of government. The combination and level of revenues also varies from county to county and city to city.

This pamphlet provides a basic overview of the sources of county and city revenues.

How to Use This Information

California state and local finance is a very complex subject. This pamphlet is intended only as a general overview. For specific questions on public finance topics, the Institute for Local Government recommends that readers consult with a public finance attorney or other expert. This pamphlet is not intended as legal advice.

Looking for Footnotes?
A fully footnoted version of this pamphlet is available online at www.ca-ilg.org/revenuebasics.

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KEY CITY REVENUE STREAMS

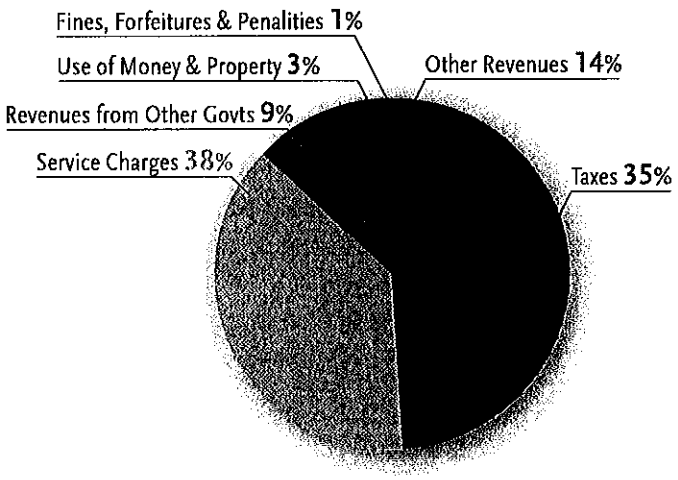
Service fees and charges for city utilities such as water, sewer and garbage collection are the largest source of city revenues, but use of these funds is limited to covering the cost of providing these services. Major sources of city revenue for day-to-day operations and services come from sales and use tax, property tax, business license tax (a tax on businesses in the city, usually measured by gross receipts), transient occupancy (or hotel bed) tax and utility user tax.

KEY COUNTY REVENUE STREAMS

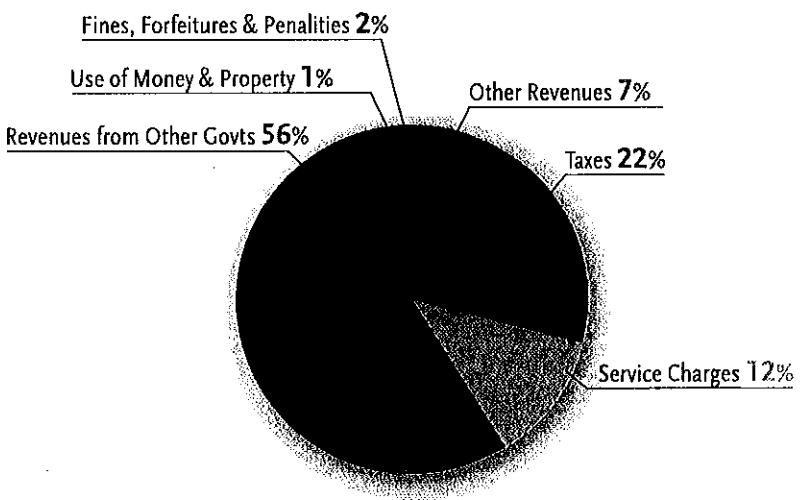
Revenues from the federal and state government are the largest source of funding for health and human services. Property taxes, sales and use taxes, vehicle license fees (collected by the Department of Motor Vehicles on annual car registration bills) are the primary funding sources for many county services that don't have a dedicated state or federal funding source.

The Big Picture: City and County Revenues Statewide

CITY REVENUE SOURCES



COUNTY REVENUE SOURCES



Source: State Controller's Office, *Cities Annual Report* and *Counties Annual Report* (2004–05). City revenues do not include the City and County of San Francisco. The *Annual Reports* are prepared by the State Controller's Office from information provided by cities and counties each year. These charts reflect way that the State Controller's Office organizes the information it receives, not the way they are presented in this pamphlet.

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The State-Local Fiscal Relationship since 1978

Over the past 30 years, substantial restrictions have been placed on the ability of cities and counties to control their major fiscal resources. They relied on these revenues to fund police and other law enforcement services, fire protection, parks, libraries, schools, hospitals and public health. This timeline summarizes the milestones in the decline in local control over local finances and efforts to restore stability in local budgets.

1978
Proposition 13

- Sets the general-purpose property tax rate at 1 percent of assessed value, cutting local property taxes by more than half
- Transfers control over property tax allocation to the state
- Restricts the purposes for which government obligation bonds can be issued
- Requires two-thirds voter approval for special taxes (see page 5)
- Requires two-thirds legislative approval for new state taxes

1986
Proposition 62

- Requires majority voter approval for general taxes in most cities and counties
- Prohibits local transaction taxes or sales taxes on the sale of real property within a typical city, county, or district

1992
Education Revenue Augmentation Fund (ERAF)

- In response to a severe budget deficit, the state met its legal obligation to fund schools by diverting specified amounts of local property taxes into an "Education Revenue Augmentation Fund" or ERAF in each county. ERAF funds are then transferred to local school entities.
- Although intended as a temporary measure, the tax shift remains in effect.
- In fiscal year 2007–08 the tax shift is estimated to cost cities, counties and special districts more than $7 billion.

1996
Proposition 218

- Requires two-thirds voter approval for special taxes
- Requires majority voter approval for general taxes
- Requires parcel taxes to be enacted as special tax

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- Imposes new procedural and substantive requirements for benefit assessments
- Imposes new procedural and substantive requirements for certain types of fees and charges including water and sewer rates
- Allows taxes, assessments, and fees to be reduced by voter initiative

2004
Vehicle License Fee – Property Tax Swap

As part of the negotiations surrounding a state budget deficit, cities and counties agreed to exchange state general fund revenues they received to offset vehicle license fee reductions for a like amount of property tax revenues from ERAF. The exchange was part of a larger agreement to secure state support for a fiscal reform ballot measure, Proposition 1A (see below).

Proposition 1A

Proposition 1A was a ballot measure approved by voters in November 2004. The measure was sponsored by a coalition of local agencies and others to protect against future reduction or diversion of property tax and sales tax and strengthen the state's obligation to reimburse local governments for state-mandated programs. The measure protects local sales tax and vehicle license fees, and allows the state in future years to borrow, but not simply take, local property tax.

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SOMETHING INTERESTING TO KNOW: ROLES AND RESPONSIBILITIES

County Assessor—The assessor sets values on property and produces an annual property tax assessment roll.

County Auditor-Controller—The auditor-controller receives the assessed values from the assessor and calculates the amount of property tax due.

County Treasurer-Tax Collector—The treasurer-tax collector administers the billing, collection, and reporting of property tax revenues levied annually throughout California for not only the county, but also cities, schools, and special districts.

Taxes

Tax revenues are an important source of funding for both county and city services. In addition to local taxes, counties rely significantly on tax dollars allocated from the state and federal governments.

Counties and cities may impose a variety of taxes. Taxes fall into one of two categories: **general** or **special**.

Counties and cities may use revenues from a **general tax** for any legitimate public purpose. A majority of voters must approve the decision to impose, increase, or extend a general tax. A general tax may only be submitted for voter approval at an election for city council or board of supervisors.

A **special tax** is a tax imposed for a specific purpose. For example, a city might increase the sales tax by adding a use tax for the acquisition of open space or for transportation projects, but that special tax may only be used for its express purpose. The basic sales tax to which it is added, however, remains a general sales tax, divided between state and local governments and the local share may be used for any lawful purpose of the local government which receives the tax (typically, the city in which the sale takes place, or the county if the sale takes place outside a city).

Two-thirds of voters must agree to adopt, increase, or extend a special tax. A special tax does not need to be any particular type of tax.

Property Tax

How the Tax is Calculated

The property tax is a tax on certain kinds of property. It is based on the value of the property.

The property tax is a state tax administered by counties. Counties and cities do not impose and cannot increase the property tax except as described below. Taxable property includes "real property" (land and the buildings that are on it), as well as things like boats, aircraft and business equipment.

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Sample Property Tax Calculation

2006 Purchase Price	$	300,000
2006 Property Tax Obligation (1%)	$	3,000
2007 Increase in Property Value (2%—limitation under Proposition 13)	$	6,000
2007 Property Value	$	306,000
2007 Property Tax Obligation (1%)	$	3,060

Note that other kinds of governmental charges (for example, benefit assessments, school bonds, ambulance services, etc.) are included on the bill that includes property tax bills, which will raise the amount higher than the one percent base tax rate.

Under Proposition 13, the maximum tax rate permitted on real property for general purposes is one percent of the property's assessed value. For property that has been owned prior to 1978–79, the starting point is what the property was worth in 1975–76. There is an annual adjustment for inflation which cannot exceed two percent per year.

The one percent maximum rate can be increased to pay for the acquisition or improvement of real property if the voters approve such an increase by a two-thirds margin. The maximum rate cannot be increased to cover operating expenses, even with voter approval.

If a property changes hands, then the assessed value becomes what the buyer paid for the property. This value (for the purpose of taxation) then can increase at the lower of inflation or two percent per year. Changes in assessed value above the two percent limit are also allowed for the market value of improvements.

Property that declines in value may be reassessed downward. County assessors have procedures for requesting a downward adjustment in value which would result in a reduction in the property tax.

How are Property Tax Revenues Distributed?

Proposition 13 transferred the authority to determine where property tax revenues go to the Legislature. Generally, property taxes are allocated within a county based upon the historical share of the property tax received by local agencies prior to Proposition 13. However, those allocations have changed over the years; the most significant change being the ERAF property tax shift. Proposition 1A restricts the Legislature to following certain procedures before allocating property tax from counties, cities, and special districts to schools; and before changing the allocations between counties, cities, and special districts.

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SOMETHING INTERESTING TO KNOW: USE TAXES

The sales tax has a relative called the "use tax." The use tax is imposed on purchasers whenever sales tax does not apply, such as for goods purchased out of state which will be used in California.

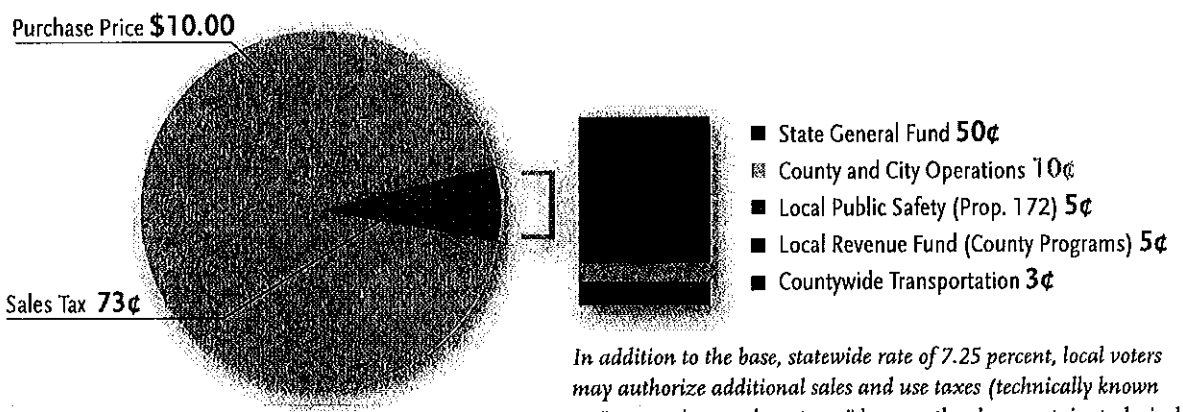
Sales and Use Tax

Consumers are familiar with the experience of going to a store, buying something, and then having an amount added for sales tax.

The sales tax is actually imposed on retailers for the privilege of selling tangible personal property in California. Services are exempt from the sales tax as well as certain items, like most groceries and medicine. Retailers typically pass this tax along to the consumer. The sales tax is assessed as a percentage of the amount purchased.

The "base" sales tax rate of 7.25 percent has a number of components. For example, the state imposes a basic sales tax rate of 6.25 percent. This means if you bought an item for ten dollars and the cash register receipt shows 73 cents for sales tax, then about 60 cents of that sales tax goes to the state — 50 cents to the state general fund. About 10 cents come back to local governments (5 cents for counties to fund health social service and mental health programs and 5 cents for counties and cities to fund public safety services). A fourth component exists in certain counties and cities which have increased the use tax rate to fund programs such as transportation, criminal justice facilities, and the acquisition of open space.

COMPONENTS OF 7.25% SALES TAX RATE



In addition to the base, statewide rate of 7.25 percent, local voters may authorize additional sales and use taxes (technically known as "transactions and use taxes" because they have certain, technical differences from other sales taxes). These measures add a certain amount — like a cent or a fraction of a cent — to the sales tax rate.

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SOMETHING INTERESTING TO KNOW: SALES TAX FOR PUBLIC SAFETY

Proposition 172, a ballot measure approved in 1993, placed a one-half percent sales tax in the California Constitution to be used only for local public safety activities. The state distributes Proposition 172 revenues to each county based on its proportionate share of statewide taxable sales. In many counties, cities also receive a share of those funds. Their share is based on property tax losses resulting from the state's diversion of property taxes away from local government in the mid-1990s to satisfy the state's constitutional obligation to fund schools.

Locally, counties may impose a sales and use tax up to 1.25 percent. Cities may impose a sales and use tax at the rate of up to one percent. Payment of the city sales tax is credited against payment of the county sales tax, which simply means you don't have to pay twice for the local share — only once. Cities keep all of the local sales tax collected within the city; counties keep the local sales tax collected outside city boundaries.

In addition to the base, statewide rate of 7.25 percent, local voters may authorize additional sales and use taxes (technically known as "transactions and use taxes" because they have certain, technical differences from other sales taxes). These measures add a certain amount — like a cent or a fraction of a cent — to the sales tax rate. The combined rate of the additional taxes may not exceed two percent. This has occurred in many areas of the state, and for this reason, most residents pay a sales tax rate that is 7.75 percent or higher.

Business License Tax

Cities may impose business license taxes on persons or entities doing business within the city. Majority voter approval is necessary to impose or increase this tax unless revenue from the taxes will be set aside for a specific purpose.

Business license taxes are most commonly based on a business' overall revenues (a concept known as "gross receipts") They are also sometimes based on the quantity of goods produced, number of employees, number of vehicles, square footage of space occupied by the business, or a combination of factors.

- Cities set their own tax rates.
- If a business operates in more than one city, a city may only tax that portion of the business's activities conducted within the city.
- In most cases, business license taxes are not levied for regulatory purposes (as the term "license" might imply) but to raise revenues for general municipal purposes. If a city regulates certain types of

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businesses, the fee imposed to pay for the cost of regulation may not exceed the reasonable cost of regulating the business.

Transient Occupancy Tax (TOT) or Hotel Bed Tax

Visitors to an area also pay local taxes. Such taxes help support public services and facilities that make an area a good destination for business or vacation travel.

A key form of visitor tax is called the transient occupancy tax (often known by the acronym "TOT") or hotel bed tax. Counties and cities may tax persons staying 30 days or less in hotels, motels and similar lodgings, including mobile homes. Typically, the lodging provider collects the tax from guests and turns the funds over to the county or city.

Counties may charge transient occupancy taxes on individuals staying in hotels and other lodgings in the county area outside city limits, while cities charge the tax on individuals staying within city limits.

Cities and counties may set their own TOT rates. Voter approval is necessary to impose or increase this tax.

Utility User Tax (UUT)

Cities may impose a tax on utilities such as gas, electricity, telephone, water and cable television. Counties may impose a utility user tax on the consumption of electricity, gas, water, sewer, telephone, telegraph, and cable television services in county areas outside city boundaries. One hundred and fifty cities and four counties (Alameda, Los Angeles, Sacramento and San Francisco) levy utility user taxes; most residents and businesses in the state pay UUT.

Utility companies usually collect utility user's taxes from their customers as part of their regular billing procedures. They send the funds collected to the city or county which imposed the tax.

Cities and counties may set their own UUT rates. Majority voter approval is necessary to impose or increase this tax.

SOMETHING INTERESTING TO KNOW: SALES TAX AND THE INTERNET

California collects sales tax only on sales where the seller has a physical presence in the state. Many Internet, telephone and mail-order sellers do not have such a presence. Purchasers of taxable items from such out of state sources must pay the use tax, but as a practical matter this obligation is difficult to enforce.

Thus, in many cases, the purchase of a tangible item through the Internet, telephone or mail-order will not result in payment of sales tax. Unpaid state and local sales and use tax from Internet, telephone and mail-order sales currently exceeds $1 billion per year and is expected to grow substantially as Internet commerce evolves.

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Parcel Tax

A parcel tax is a special tax on a parcel — or unit — of real property. Unlike the property tax, a parcel tax is not based on the value of property. Instead, parcel taxes are generally based on a flat per-parcel rate. Parcel taxes require two-thirds voter approval and are imposed for any number of purposes, including funding police and fire services, neighborhood improvement and revitalization, and open space protection.

Documentary Transfer Tax

A documentary transfer tax is a tax imposed on the transfer of interests in real estate. Counties may tax at a rate of 55 cents per $500 of the property value. Cities may impose the tax at up to one half of that amount, which is credited to the payment of the county tax. Majority voter approval is necessary to impose or increase this tax.

Property Transfer Tax (Charter Cities)

Some charter cities have enacted a property transfer tax on the value of real estate that is sold. They set their own rates. Majority voter approval is necessary to impose or increase this tax. For more information about charter cities, see www.cacities.org/chartercities.

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Service Charges, Assessments and Fees

Utility Rates

Utility rates are fees for utility services charged to users who pay for county or city-provided water, sewer, and electric or other utility services. Utility rates cover some or all of the cost of providing the service, which may include operations, maintenance, overhead, capital improvements and debt service.

Benefit Assessments

Assessments are charges on real property or businesses to pay for facilities or services within an area which benefit real property or businesses. A common type of assessment is one used to pay for landscaping and lighting in a neighborhood. The amount of the assessment must reflect the benefit to the property or business that results from the improvements. Assessments on property are typically collected through the owner's annual property tax bill.

User Fees

A city or county may impose fees, charges and rates for services and facilities it provides. Examples include fees for checking plans for new construction or for recreation classes. The amount of a fee may not exceed the cost of providing the service. This cost may include overhead, capital improvements and debt service. Indeed, federal grant rules require local agencies to allocate overhead and indirect costs to all their programs and services, so that federally funded programs do not pay more than their proportionate share of these costs.

Regulatory Fees

Regulatory fees pay for the cost of public programs or facilities necessary to regulate a business or other activity or mitigate the impacts of the fee payer on the community. Examples include a fee to pay for the cost of administering the licensing of pesticide applications or a fee to inspect restaurants for health and safety compliance. While cities and counties impose regulatory fees, the state does, too. So, for example, the state imposes a regulatory fee on makers of paint containing lead to fund health care programs that address lead poisoning.

Development Impact Fees

Development impact fees are imposed on new construction (like new houses, apartments, shopping centers, or industrial plants). They pay for improvements and facilities required to serve new development and to reduce the impacts of new development on a community.

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- Development impact fees pay for community amenities such as streets, sewers, parks and schools. They may not be used for day-to-day operating expenses.
- The ordinance or resolution establishing the fee must explain the connection between the development project and fee. Thus a library impact fee must be connected to the demand for library services created by the construction of a new neighborhood. New development cannot be asked to pay for a new library a community needs or wants for other reasons.
- The amount of the fee must not exceed the cost of providing the service or improvement that the fee pays for.

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Revenues from Other Government Agencies

Revenues from other governments fall into two main categories:

1) State-administered revenues

2) Grants

Over half of county revenues statewide come from state and federal sources. This reflects the role of counties in implementing state policy and programs for health and human services.

Gas Tax

The state imposes an 18-cent per gallon tax on gasoline (the federal government taxes gasoline, too). These funds are apportioned to cities and counties, primarily on the basis of their populations, and local gas tax receipts must be spent on research, planning, construction, improvement and maintenance of public streets, highways, and mass transit.

Motor Vehicle License Fee

The Motor Vehicle License Fee (VLF) is a tax on ownership of a registered vehicle. All revenue from vehicle license fees must be distributed to counties and cities. About three-quarters of VLF revenues fund county health and welfare programs. At one time, VLF was a major revenue source for cities. However, with the "Vehicle License Fee — Property Tax Swap" in 2004, VLF now contributes only about one percent of general revenues to the average city budget.

Health and Welfare Realignment

Counties receive funds from a dedicated statewide sales tax and a portion of motor vehicle license fees which support county-operated social services, health, public health and mental health programs and services.

SUBVENTIONS

Subventions are a type of financial support provided by one level of government to another. The state levies certain taxes that are provided to counties and cities. The motor vehicle license fee and the motor vehicle fuel tax are examples. Most subventions are restricted to particular programs (for example, gas tax receipts can only be used for streets and transportation). Some can be spent as a county or city's leaders think best (such as vehicle license fees).

Local agencies also receive reimbursement for revenue lost as a result of various tax exemptions and reductions. Examples include the homeowners' property tax exemption, which eliminates the property tax on a small portion of the assessed valuation of owner-occupied residential property.

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SOMETHING INTERESTING TO KNOW

Maintenance of Effort Requirements

When cities and counties receive funding for programs from the state or federal government, such funding may come with strings attached. A common condition is that the city or county commit to a certain level of funding. This commitment is called maintenance of effort or MOE. Realignment revenues come with a **maintenance of effort** requirement.

Grant Funding

- **Categorical grants** support a defined program area. Categorical grants typically go to local agencies that meet predetermined funding criteria or compete for project funding through an application process.
- **Block grants** provide funding to a broad functional area. For example, federal Community Development Block Grant (CDBG) funds support local housing and economic development activities.

These funds are referred to as the **Realignment Allocation.**

In 1991, the state shifted ("realigned") responsibility for funding a large portion of health and social services programs to counties in exchange for allowing increased administrative flexibility in those programs. The state only funds part of the programs' cost; counties must provide a share of funding.

Federal and State Grants to Counties

Federal and state grants comprise a large proportion of county revenues. These funds are largely restricted to particular uses. Examples include specific human services, such as grants for health, mental health, social and child welfare services and related administration. Grants typically do not pay for the full cost of a program; recipient agencies typically pay a share of these costs with funding from local sources.

State and Federal Mandates

State and Federal laws sometimes direct counties and cities to provide particular programs or services. The legal requirement, or **mandate**, to provide these programs or services does not always come with adequate state or Federal funding to support it. Legislative requirements to provide programs or services without such support are called **unfunded mandates**.

California's constitution generally prohibits unfunded mandates. Counties and cities may file claims for reimbursement of certain state mandated costs. However, the process typically takes several years. During that time, cities and counties are spending money to comply with the mandate.

California voters tried to tighten up the system in 2004, with the passage of Proposition 1A. This measure required the state to suspend state mandates in any year when the Legislature does not provide full funding.

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Rent for Use of Public Property Including Streets

Earnings on Investments

Counties and cities earn interest on investments. State law specifies what kinds of investments are okay. Charter cities have more investment flexibility.

Rents, Royalties and Concessions

Another way cities and counties pay for public services is to charge rent for use of the public's property. An example is royalties from natural resources taken from land the public owns. Others include selling advertisements in publications or receiving a percentage of net profits from concessionaires operating on public property.

Franchise Fees

Another revenue source is franchise fees. **Franchise fees** are a form of rent for use of public streets and roadways. Examples of businesses that pay franchise fees include trash collectors, cable television companies, electric utilities and oil and natural gas pipeline companies. Federal and state law limits the amount of some franchise fees (for example, video and cable television franchise fees). Franchise fees for provision of video services (like television programming) are overseen by the state.

Fines, Forfeitures and Penalties

Violations of the law often result in a fine of some kind.

Fines, forfeitures, and penalties may be imposed for many reasons. Typical examples include traffic violations, court fines and penalties and interest on late or unpaid taxes.

- State law determines the distribution of fines and bail forfeitures imposed by the state.
- State law apportions revenues for parking violations and surcharges between issuing agencies and the counties.
- A city or county may impose fines, forfeitures and penalties for civil violation of local ordinances.
- Bail for local code violations is established by the local courts with input from the city or county.

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Other Revenues

There are a number of other city and county revenues. One example is the sale of surplus property. These are a very small part of the revenue story for most cities and counties.

Resources for Further Information

California Local Government Finance Almanac: Data, statistics, analyses on California City and County Finance (www.californiacityfinance.com/)

What Do Counties Do?, California State Association of Counties (http://www.csac.counties.org/default.asp?id=2)

Financial Management for Elected Officials, Institute for Local Government (www.ca-ilg.org/financeguide)

All About Cities, League of California Cities (http://www.cacities.org/index.jsp?zone=locc&previewStory=3162)

Legislative Analyst's Office, Local Government Section (www.lao.ca.gov/laoapp/main.aspx?type=3&CatID=8)

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Public Involvement in the Revenue Process

Taxes

Voters have an important say on taxes. For **general taxes**, a majority of voters voting in an election is needed to impose, increase, or extend a general tax. A general tax is one which may be used for any lawful city or county purpose.

Special taxes are those that fund a specific purpose. Two-thirds of voters voting in an election must agree to adopt, increase, or extend a special tax.

Assessments

Assessments are charges on land collected through the property tax bill. Assessments pay for public improvements or services within a specific area (known as a "district"). A majority of the property owners subject to the charge must approve the assessment in a mailed ballot. The owners' votes are weighted according to how much their property will be charged. This means those who would pay more have a bigger say in whether the assessment is approved because they will pay a larger portion of the assessment.

Property-Related Fees

Another kind of charge which requires public participation is known as **property-related fees**. These include user fees or charges for property-related services. They do not include most of the fees local governments charge, because those charges are typically imposed only on people who request a service and not on everyone who owns or uses property.

To impose a property-related fee, the agency must first hold a public hearing. At the hearing, a majority of affected property owners can prevent the fee's adoption by filing written protests. A successful majority protest is rare because it is difficult to get a majority of property owners to participate in a protest proceeding. Even protests which do not meet the legally required 50 percent of all property owners get the attention of elected officials and can lead to revisions in fee proposals.

If a majority of affected property owners do not protest the fee, and the fee pays for sewer, water, or refuse collection, then the fee is approved. No other process is required.

For other property-related fees, however, an election comes next. The agency imposing the fee has a choice between asking the voters generally to approve the fee or only the owners of the property who would pay the fee. If the agency asks the voters for their input, then approval of the fee requires a two-thirds vote. If the agency asks just the affected property owners to vote, then approval requires a majority vote.

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Other Revenues

With few exceptions, virtually all other revenues, such as planning permit application fees, parking meter rates, recreation facility use charges or fines and penalties, require appropriate notice and opportunities for public comment.

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ABOUT THE INSTITUTE FOR LOCAL GOVERNMENT

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SKU: 776 Price: $10

City of Bell
Redevelopment Agency
Agenda Report

DATE: January 5, 2012

TO: Honorable Mayor and City Council of the City of Bell

BY: David J. Aleshire, City Attorney

SUBJECT: Update: California Supreme Court Decision Concerning Redevelopment & AB1X26

RECOMMENDATION:
Receive and file this report on the status of redevelopment in California given the December 29th Supreme Court decision in *Community Redevelopment Association v. Matosantos (No. S194861)*. Staff will bring further items forward to the City Council for action as time deadlines and legal developments dictate.

Consider submission of support for urgency Senate Bill (SB) 659.

SUMMARY:
On December 29, 2011, the California Supreme Court announced its decision in *Community Redevelopment Association v. Matosantos (No. S194861)* in which the Court upheld ABX126 (the redevelopment "elimination" bill), but struck down ABX1 27, the bill that would have allowed agencies to continue after making a payment to the State. Without immediate legislative action, the Court's ruling essentially means that redevelopment in California is abolished. As it currently stands, redevelopment agencies will be dissolved on Feb. 1, 2012. The decision further means that redevelopment agency activities continue to be suspended and agencies will be required to wind-up activities, dispose of agency assets and dissolve in the coming months.

BACKGROUND:
Earlier this year as part of its 2011-12 budget proposal, Governor Brown's Administration proposed permanently shutting-down 425 local redevelopment agencies throughout California. The proposal represented a continued effort on behalf of the Brown Administration to end redevelopment and/or raid local government funds. Two Assembly Bills were drafted, AB1X26 the Redevelopment Dissolution Act and AB1X27 the Alternative Redevelopment Program Act or "Opt In" Bill. These two bills were passed as part of the 2011-12 State budget and work together to eliminate redevelopment agencies ("AB1X26") unless the agencies agree to pay the State $1.7 billion in the current fiscal year and $400 million to schools and special districts in subsequent budget years ("AB1X27").

Agencies throughout California argued that the two Bills would bring little financial benefit to the State, but would permanently destroy hundreds of thousands of jobs which would result in the loss of billions in local economic activity. The elimination of redevelopment would also take

away the most significant tool available to local governments to meet the States infill and land-use objectives.

In July 2011, California Redevelopment Association ("CRA") in conjunction with the League of California Cities ("League") and several individual cities filed a lawsuit in the California Supreme Court challenging the constitutionality of AB1X26 and AB1X27. The CRA/League legal team argued that these two budget bills directly violated Proposition 1A (2004), Proposition 22, and Article 16, of the California Constitution.

THE DECISION:

On December 30, 2011, the State Supreme Court announced their opinion on the CRA/League challenge and ruled to uphold AB1X26 finding the Dissolution Act constitutional and striking down AB1X27 finding the Alternative Redevelopment Program Act unconstitutional. (*Community Redevelopment Association v. Matosantos (No. S194861)I.*) The Court's decision means that all redevelopment agencies will be dissolved under AB1X26, and none will have the opportunity to opt into continued existence under the now unconstitutional AB1X27. The Court also determined to push back the deadlines in the Dissolution Act arising prior to May 1, 2012, by a period of four months. This means, all RDA's will be dissolved and their Successor Agencies will begin to function on February 1, 2012.

In the *Matosantos* decision, the Supreme Court found that redevelopment agencies are a creature of State law and, just as the Legislature had the authority to create them, it could also abolish them and, therefore, AB1X26 was a legitimate exercise of State power. However, with respect to AB1X27, which compelled the "voluntary payment" of redevelopment funds to the State and other taxing agencies, these payments were not voluntary and were contrary to Prop 22. Accordingly, AB1X27 was invalid. CRA also argued that the two pieces of legislation were part of a comprehensive legislative scheme and were not, as contended by some Legislators, severable. Therefore, as the Supreme Court found, the invalidation of AB1X27 absolutely did not require the simultaneous invalidation of AB1X26. In other words, while several Legislators have stated that the two bills were absolutely not intended to "kill" redevelopment, the Supreme Court unequivocally found that the language in the bills did not bear out such an intention. The Court found that the plain language of the legislation expressly made the two bills separable such that AB1X26 would be upheld as a stand-alone law—and the Court felt compelled to this reslt despite one dissenting opinion. This flies in the face of what various Legislators are now saying as to their intent in supporting the bills.

MAJOR IMPLICATIONS FOR CITIES AND REDEVELOPMENT AGENCIES:

As of January 13, 2012, the City is deemed by operation of law to act as the Successor Agency to the Redevelopment Agency. In this capacity, the City must "wind-down" the Agency functions and assets under the guidance of an "Oversight Committee". The Supreme Court decision sets a number of new deadlines and critical time periods, the soonest of which are shown in the AB1X26 Timeline attached hereto as Attachment 1.

A. *Definitions*: AB1X26 contains some key definitions and concepts that are critical to understanding how the bill works:

- "Enforceable obligations" refers to actual obligations pre-existing the Bill's passage. These include existing bonds, existing loans, payments required by the federal

government, and any other "legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy." "Enforceable obligations" also include contracts for the continued administration of the Agency (while it still exists) and any required payments for judgments or settlements.

- "Successor Agency" means the agency charged with the responsibility of paying or performing enforceable obligations, disposing of redevelopment agency assets and winding up the business of the agency. Generally, this means the City--and the City becomes the Successor Agency by operation of law on January 13, 2012, per the Supreme Court's ruling. If the City does not want to be the Successor, it has to so inform the county auditor-controller by January 13, 2012, in which case another successor will be "assigned to" the Agency's assets by the County and/or State.

- "Oversight Board" refers to the local appointed board that will, in conjunction with the county auditor-controller and the Department of Finance, oversee Successor Agencies through the process of "winding up" each redevelopment agency. In general, "Oversight Boards" will consist of (i) a member appointed by the county board of supervisors, (ii) a member appointed by the largest special district in the territorial jurisdiction, (iii) a member appointed by the mayor of the city that formed the agency, (iv) a member appointed by the county superintendent of education to represent schools, (v) a representative from the Chancellor of California Community Colleges, (vi) a county-appointed member of the public, and (vii) a member representing employees of the former agency appointed by the mayor. Oversight boards are authorized to direct and approve certain actions of successor agencies. When all indebtedness of a redevelopment agency has been paid, the oversight board automatically dissolves.

- "Taxing agencies" refers to those agencies that receive pass-through payments and distributions of property taxes—primarily schools, the county and special districts.

B. *The "Big Freeze" is Ongoing*: There is currently in effect a "freeze" upon the ability of agencies to perform *new* business. This is unaffected by the Supreme Court decision. Since June 29, 2011, agencies *have been disallowed* from incurring new or expanding existing monetary or legal obligations; they cannot incur debt, provide financial assistance, amend or modify existing agreements, forgive loans, renew leases, dispose of or transfer assets, buy or sell real property, increase or transfer deposits in the Low and Moderate Income Housing Fund, approve or amend redevelopment or implementation plans, or increase compensation for agency employees, etc. Agencies also may not form a joint powers authority or become a member of one, commence a condemnation proceeding, accept financial assistance from state or federal sources, or prepare an environmental impact report. The only exception to this "freeze" is that agencies may continue to meet their enforceable obligations. "Enforceable obligations" are to be construed narrowly, so obligations that are anything less than a firm contract establishing fully-negotiated deal points may not qualify as enforceable obligations.

C. *A Number of Critical Actions Must be Complete Before February 1, 2012*: The Supreme Court decision sets a number of new deadlines and critical time periods, the soonest of which are shown in the AB1X26 Timeline attached hereto as Attachment 1.

- The Agency must adopt (or re-adopt) an "Enforceable Obligation Payment Schedule" by February 1, 2012. This Schedule is a list of *every* pre-existing, enforceable obligation that must be continued under the terms of a contract, judgment, settlement, bond, or other such binding obligation. The Schedule must list project details, payees and the amount of payments due, by month, through December 2011. Payment schedules for pre-existing bonds and for agency employee compensation may be aggregated. Although the Agency has previously adopted this schedule, the Supreme Court decision says it must be re-adopted, thus giving City staff an opportunity to re-review the schedule and ensure that it is complete.

- Successor Agency must create a Redevelopment Obligation Retirement Fund by February 1, 2012. This Fund is the account into which the county auditor-controller shall transfer an amount of property tax revenues equal to that specified in the Recognized Obligation Payment Schedule so that the Agency can cover its enforceable obligations.

- By February 1, 2012, the Successor Agency must determine whether it will elect to retain the housing functions of the Redevelopment Agency. AB1X26 does not eliminate a city or county's affordable housing needs or obligations or divest the city or county of authority over affordable housing. Instead, AB1X26 "authorizes" the city or county that established a redevelopment agency to "elect" to retain housing assets and functions. Importantly, even if the City retains such housing functions, it still must surrender all the former Agency's Low and Moderate Income Housing Funds to the county auditor-controller for distribution to the taxing agencies. In short, cities may retain their housing functions, but will lose their established funding to do so. The City of Bell will become the Successor Housing Agency to the former Agency and it is recommended that the City will take over and assume the housing functions. Ultimately, the City will transfer such functions to the Bell Housing Authority.

D. *February 1, 2012, Will be the Date of Dissolution of All Redevelopment Agencies*: Redevelopment agencies will cease to exist as of February 1, 2012. At that time, all Agency property and obligations would be transferred to the Successor Agency. The Successor Agency will be overseen by an Oversight Board, the county auditor-controller and the Department of Finance. Tax increment will no longer exist, but property taxes will continue to be allocated to pay previously-incurred enforceable obligations of the redevelopment agency. Also, as of that date:

- Unobligated Low and Moderate Income Housing Funds (i.e., those housing funds that are not required to meet "enforceable obligations") will be transferred to the county auditor-controller for distribution to the taxing agencies.

- The Successor Agency will be required to repay existing indebtedness, complete existing contractual obligations and otherwise wind-up operations of the Agency. As noted above, AB1X26 states a clear intent that Successor Agencies must preserve Agency assets for the benefit of the Taxing Agencies. To this end, any fund or asset transfers made by the Successor Agency that are not clearly related to a pre-existing, enforceable obligation to a third party will be subject to scrutiny.

- By March 1, 2012, the Successor Agency must have adopted (or re-adopted) its Recognized Obligation Payment Schedule, which must be acceptable to the Oversight Board, State Controller and Department of Finance. The only Agency-related payments allowed will be those payments listed on the Recognized Schedule. The Recognized Obligation Payment Schedule replaces Statements of Indebtedness, which would no longer exist or have any effect. The Recognize Schedule must be prepared by the Successor Agency every six months, subject to the approval of the Oversight Board. Even though the Agency/City has already adopted a Recognized Obligation Payment Schedule pending the Supreme Court case, the new deadlines set by the Supreme Court allow City staff to review, revisit and revise the Schedule before re-adopting it.

- By April 1, 2012, the Successor Agency must report to the county auditor-controller whether the total amount of property tax available to the Agency will be sufficient to fund its obligations under the Recognized Obligation Payment Schedule over the next six-month fiscal period.

- The adopted Recognized Obligation Payment Schedule must be transmitted to the Department of Finance and State Auditor-Controller by April 15, 2012.

- The Department of Finance takes on a new oversight role with respect to the actions of redevelopment agencies, successor agencies and Oversight Boards. Any action of these entities does not become effective for three business days, during which the Department of Finance may give notice it wishes to review the action. If the Department of Finance gives such notice, it has ten days to approve the action or resubmit it for reconsideration.[1]

POSSIBLE FUTURE LEGISLATION:

On January 5, 2012, the League of California Cities issued an ABX126 Timeline and a memo outlining their interpretation of the Supreme Court decision, Attachments 1 and 2 respectively.

In light of the recent State Supreme Court decision, CRA and League representatives have vowed to work with State Legislators immediately to develop legislation to revive redevelopment in order to protect local communities, job creation and our economy. It is premature to speculate on the nature or likely outcome of such proposals, but staff will continue to monitor and provide timely information regarding the progress of any future legislative actions.

At a minimum, there is an effort to create a further 3-month extension on AB1X26 deadlines as the appointment of the Oversight Board, and determination as to how they will operate, is likely to take several months longer than anticipated by the Supreme Court's decision. This proposed legislative effort is being published as SB 659. Materials regarding SB 659, including proposed letters of support, are attached hereto as Attachment 3.

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[1] §§ 34169(i), 34179(h).

ATTACHMENTS:

(1) League of California Cities ABX126 Timeline
(2) League of California Cities Summary
(3) League SB 659 Materials

Attachment 1

LEAGUE OF CALIFORNIA CITIES℠

AB x1 26 Timeline as modified by *California Redevelopment Association v. Matosantos**

By January 13	If city does not want to serve as the "successor agency" to its redevelopment agency, then it must submit a resolution to that effect to the County Auditor-Controller by this date. If a city wishes to serve as the "successor agency," no action is required.
February 1	Redevelopment agencies are dissolved.
By February 1	Successor agency must create Redevelopment Obligation Retirement Fund.
By February 1	Successor agency must decide whether to retain affordable housing function of the redevelopment agency. If successor agency does not elect to retain this function, it is transferred to the housing authority or, if no housing authority exists, to the State Housing and Community Development Agency.
By February 1	Successor agency must review the enforceable obligation payment schedule (EOPS) adopted by the redevelopment agency last fall, modify it if necessary, and readopt. The EOPS is subject to review and approval by the Oversight Board once that board has been formed. The successor agency may only make payments for those obligations identified in the EOPS until a Recognized Obligation Payment Schedule (ROPS) is approved.
By March 1	Successor agency must adopt a Recognized Obligation Payment Schedule (ROPS). This is a permanent schedule of obligations that replaces the interim EOPS once the ROPS has been approved. The County Auditor-Controller will allocate property tax increment to successor agencies to pay debts listed on ROPS.
By April 1	Successor agency reports to the County Auditor-Controller whether the total amount of property tax available to the agency will be sufficient to fund its ROPS obligations over the next six-month fiscal period.
By April 15	Successor agency must send the adopted ROPS to the State Controller and the State Department of Finance for approval. The ROPS is also subject to approval by the Oversight Board.
By May 1	Oversight Boards begin operations, files report of membership with State Department of Finance.
Starting May 1	Successor agency may only pay those obligations listed in the approved ROPS. The approved ROPS replaces the EOPS.
By May 16 and continuing thereafter as specified	The County Auditor-Controller transfers property tax to the successor agency in an amount equal to the cost of the obligations specified in the ROPS. This amount is transferred into the successor agency's Redevelopment Obligation Retirement Fund, and payments from this fund are used to satisfy the obligations identified in the ROPS.

* This timeline does not represent a complete list of deadlines imposed by AB x1 26 as modified, but rather, it is list of the most relevant and time-sensitive deadlines and milestones for cities that will be opting to become the successor agency to their redevelopment agency. Please consult with your city attorney or your redevelopment agency counsel for more information.

v. 1.0 January 4, 2012

Attachment 2

LEAGUE OF CALIFORNIA CITIES

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TO: **CALIFORNIA CITY OFFICIALS**
FROM: Chris McKenzie, Executive Director
DATE: January 5, 2012
RE: Background on *CRA et al v. Matosantos*

The League and the California Redevelopment Association (CRA) are working actively with some deeply committed legislators and other partners on a legislative program to create jobs, build infrastructure and affordable housing, reclaim brownfields, reuse military bases, build infill projects and achieve other shared state-local goals in the wake of the recent California Supreme Court Decision. It will take a few weeks to develop the detailed proposal, and I explain at the end of this memo how you can help immediately.I n the meantime, questions have understandably arisen over the decision last year to file the lawsuit that this memo answers. Proposition 22 was actually drafted initially to put an end to the threatened legislative raids of transportation (HUTA and Prop. 42 sales tax) and transit funding, but it also protects locally levied taxes, eliminates the borrowing of property taxes, and prevents the diversion of RDA funds. It should be noted that Prop. 22 actually prevented the loss of transportation funds in 2011.

The Supreme Court's Decision

In short, the Court's majority agreed that Prop. 22 prohibited the enactment of AB1x 27, the so-called RDA "ransom" bill, just as Prop. 22 was specifically designed to do.I n contrast, however, the Court also concluded that Prop. 22 did <u>not</u> curtail the Legislature's discretionary power to establish or eliminate redevelopment agencies[1]. The practical effect of the Court's decision was to reduce the financial benefit from the redevelopment legislation from $1.7 billion to about $1 billion, ironically about the same amount the CRA and League proposed last session that agencies provide on a voluntary basis. Moreover, the funds remaining after RDA successor agencies' enforceable obligations are paid will now flow through the regular property tax distribution process (including to cities) rather than through the special allocation mechanism in AB1x 27 to schools, transit agencies and fire districts only. The state general fund will receive an offsetting benefit from the amount of increased property taxes going to schools.

The Calculus Underlying the Decision to File the Lawsuit

A variety of factors went into the unanimous decisions by the CRA and League boards to file the lawsuit last July after the last-minute enactment of the two-bill legislative package that many legislators were told would not lead to the end of redevelopment agencies. They were:

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[1] In drafting the redevelopment provisions of Prop. 22 CRA and the campaign team believed that for practical, legal and strategic reasons the legislature should retain its traditional authority over redevelopment agencies under Art. 16, Sec. 16 of the constitution and state statutes. On a practical basis, there would continue to be need for legislative oversight and reforms of redevelopment to address developing needs and criticisms. On a legal basis, proposing to lock redevelopment agencies permanently into the constitution could potentially be viewed later by the Court as an invalid "revision" of the constitution and outside the initiative power of the people. Finally, there was a practical concern that such a restriction on the legislature's power over RDAs would attract substantial and fatal opposition to the whole measure from the opponents of redevelopment.

Future of Many Agencies at Risk. Shortly after the bills were passed in late June, the CRA asked its members about their practical impact on agencies. The CRA described the bills' impact in the July 18 news release that announced the filing of the lawsuit: *"Many redevelopment agencies have notified us that they cannot afford the ransom payment and they will cease to exist. And those agencies that are planning on making the payment tell us that these payments will greatly diminish their ability to pursue vital local projects."* Based on member feedback, the CRA believed as many as one-third (and possibly more) of the redevelopment agencies in the state could be forced out of existence by the legislation.

Risk of Increased Future Liability and Lost Litigation Opportunity. Moreover, since the legislation contained an ongoing required payment of $400 million each year without any end, a failure to challenge the legislation at this time would have clearly opened the door in future years to increases in that amount. Moreover, agencies ran the clear risk of losing the future opportunity to challenge the legislation by failing to assert the claims when they first arose.

The Legal Assessment. There also was a careful legal assessment made of our chances of prevailing. Our legal counsel consulted extensively with a variety of redevelopment counsel. While there was an awareness of some risk of a split decision, our counsel strongly believed that the risk was minimal in light of the clear purpose of the people in recently enacting Prop. 22, the extensive evidence of clear violations of Prop. 22 in the legislation, other strong constitutional flaws of AB1x 26, clear evidence the Legislature did not intend to eliminate agencies, and the Court's traditional deference to initiatives.

Defending Proposition 22. Prop. 22 passed with 61% of the popular vote. With this history and strong member support, the boards of both organizations believed the League and CRA had a duty to defend Prop. 22. As mentioned earlier, the Court actually concluded the legislature could not divert RDA funds because it would violate Prop. 22. While Prop. 22 was not drafted to guarantee the perpetual existence of RDAs, the two bills were so interconnected that it was anticipated that AB1x26 would be declared invalid under Prop. 22 as well.

Two-Part Legislative Strategy in the Works

The CRA and the League are working with key legislators and other groups to advance a two-part legislative strategy: (1) immediate passage of legislation to delay the effective date of the elimination of agencies on February 1 in order to provide time for a careful legislative debate about the second part of the strategy; and (2) comprehensive legislation that will help move the state and local governments forward together in creating jobs, building infrastructure and affordable housing, reclaiming brownfields, revitalizing truly blighted neighborhoods, reusing former military installations, etc.—the things that redevelopment has been used for so effectively. It is clear that doing so will require a united membership, strategic vision, willingness to compromise, and strong partnerships. The first priority is the extension.

We have accomplished a lot together in recent years to further local control and protect local revenue. We know this is a difficult time, but by working together we can achieve these goals. We will be calling on you to assist in the vital task of restructuring the next generation of redevelopment. We promise to keep you informed. Thank you for your continued leadership and support.

Attachment 3

LEGISLATURE MUST PASS SB 659 QUICKLY TO POSTPONE SCHEDULED DISSOLUTION OF REDEVELOPMENT AGENCIES ON FEBRUARY 1, 2012

Temporarily Postponing February 1 Deadline for Dissolution of Agencies Will Ensure the State and Education Receive the Funding Intended by the Legislature, and allow Time to Develop a New Job Creation and Neighborhood Renewal Program

Background: On December 29, 2011, the California Supreme Court ruled in the redevelopment litigation -- *CRA v. Matosantos* – upholding ABX1 26 which abolished redevelopment agencies, but striking down companion legislation that would have allowed agencies to survive if they contribute money to the State. As part of the Supreme Court's ruling, *agencies are to be dissolved on February 1, 2012*. A coalition of labor, business, local government, public safety and affordable housing advocates is working with members of the Legislature to pass SB 659 and temporarily postpone the February 1, 2012 dissolution deadline in order to preserve the ability to develop a new job creation and neighborhood renewal program. Here's why:

- **SB 659 will temporarily postpone the February 1 dissolution deadline allowing critical time to develop a new job creation and neighborhood renewal program.**
  - If agencies are dissolved on February 1, 2012, successor agencies are responsible for winding down all assets, properties, contracts, leases, records, buildings, and equipment of the former redevelopment agencies, and laying off workers -- actions that are incredibly difficult to undo.

- **Passing SB 659 is the first step toward creating a new program that helps the State budget, local communities and education.**
  - We are committed to working with lawmakers to create a new program that is appropriately focused on job creation, environmentally sustainable growth, affordable housing, and the elimination of blight and economic disparity.
  - Any new program will provide the State and local entities with additional budgetary relief that is now put in question because of the California Supreme Court ruling. We all are acutely aware that any job creation and neighborhood renewal program must give the state and education increased revenues for this fiscal year and beyond.

- **Allowing the dissolution process to proceed on February 1 will lead to mass litigation and chaos, shut down projects and lead to loss of jobs.**
  - Once the dissolution process starts, it will lead to lawsuits, endless delays, and ongoing conflict, making it more difficult to develop a new job creation and community revitalization program in California.
  - The dissolution process could take years. Thousands of jobs and vital economic development and affordable housing projects will be lost in the meantime.

YES, I SUPPORT SB 659

Temporarily Postponing February 1 Deadline for Dissolution of Redevelopment Agencies Will Ensure the State and Education Receive the Funding Intended by the Legislature, and Allow Time to Develop a New Job Creation and Neighborhood Renewal Program

Coalition Sign-Up Form

☐ **YES!** You may list me/my organization in support of SB 659, legislation to postpone the scheduled dissolution of redevelopment agencies set for February 1, 2012. Temporarily postponing the February 1 deadline for dissolution of agencies will allow time to develop a new job creation and neighborhood renewal program.

Please select a category: ☐ Organization ☐ Company ☐ Individual

Please complete the following information:

Company or Organization Name/Employer

Name Title/Occupation

Street address

City State Zip County

Phone number Fax number

E-mail Address

Signature (Required) Date

☐ **Please email me updates.**

Email or fax this form to: thalsted@bcfpublicaffairs.com or 916-442-3510 (fax)

January XX, 2012

Governor Jerry Brown
Members of the State Senate
Members of the State Assembly
State Capitol
Sacramento, CA 95814

Re: SUPPORT SB 659 (Padilla) – temporarily postpone dissolution of redevelopment agencies

Dear Governor Brown and Members of the State Legislature:

Our coalition of labor, business, local government, public safety, and affordable housing advocates urges you to quickly pass and sign SB 659 (Padilla), a bill that would temporarily postpone the scheduled February 1, 2012 date to dissolve California's 425 redevelopment agencies.

Temporarily postponing this February deadline will allow time for the Legislature and Governor to develop a new job creation and neighborhood renewal program, and to develop a solution that ensures that schools and the State budget receive the funding intended by the Legislature when they passed the redevelopment budget legislation last year.

Without the extension, successor agencies are responsible for winding down all assets, properties, contracts, leases, records, buildings, and equipment of the former redevelopment agencies, and laying off workers - actions that are incredibly difficult to undo.

Once the dissolution process starts, it will lead to lawsuits, endless delays, and ongoing conflict, making it more difficult to develop a new job creation and community revitalization program in California, Additionally, the dissolution process could take years. Thousands of jobs and vital economic development and affordable housing projects will be lost in the meantime.

Ultimately, we are committed to working with lawmakers to create a new program that is appropriately focused on job-creation, environmentally sustainable growth, affordable housing, and the elimination of true blight and economic disparity. Any solution would also have to provide the State and local entities with additional budgetary relief that is now put in question because of the California Supreme Court ruling.

In the meantime, we ask for your support for SB 659 to temporarily postpone the dissolution of redevelopment agencies as we work toward a new job creation and neighborhood renewal program.

Sincerely,